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From the Chairman's Desk

Dear Shareholders

Fiscal 2009-10 witnessed a period of exceptionally less challenging circumstances than its preceding year. It started off as turmoil in the financial sectors as well as IT Sector of advanced economies snowballed into a global financial and economic crisis.

The impact of global and local factors slowed the growth momentum in the economies where your Company operates. Amidst such challenges, your Company concentrated its efforts on maintaining its growth in revenue and profitability. I am pleased to share here your company's response to these global challenges and company's efforts to continue delivering value to its shareholders and public at large.

I am glad to inform you all about the financial performance of your Company in the Financial Year 2009-10, that the net revenue increased to 559 million Rupees as compared with 495 million Rupees in FY 2008-09. IKF's EBITDA was 92 million Rupees, compared to an EBITDA of 90 million Rupees in the last fiscal.

You can analyze your Company's growth through the development in various segments of your Company which is enumerated below :

IT&BPO

IT&BPO segment has a very good presence and a foremost Segment of your company's business. Availability of quality talent at cost effective rates, rapidly developing infrastructure, an enabling innovation environment, supportive regulatory policies, and a positive overall business environment these are all central pillars of your company's value proposition for IT & BPO business.

We have increased focus on global delivery which has required for your company to enhance its global footprint. Your company has planned for new customer segments and offer new services to enhancing its industry reach out. Over the last two years there has been significant increase in your company's Global delivery Center service.

E-Governance :

In our E-Governance segment, we have done a remarkable growth and I am feeling very proud to state that we have reached in more than 20 Districts of Rajasthan and now we are moving towards to expand our business in other States of India along with the diversification in services. Through the services of E-Governance your company reached to the zone of common man under the name of R2R Seva through its Kiosks and this name become very popular for every person in the state of Rajasthan. R2R Seva runs under the Scheme of E- Mitra concept.

During the next few years, the government is aiming to set up more than 6,700 centres in rural areas under the Centre's Common Service Centres scheme and another 1,000 in association with NABARD and for the rural areas, the Government plans to develop the kiosks as data collection centres and as a retail outlet where financial products like Kisan Credit cards, collection of money for savings accounts in banks, etc would be offered. For the cities, the kiosks will provide services like air ticketing, bill collection for private mobile operators and insurance companies, collection of traffic police fines, passport services and submission of forms for tenant registration on behalf of police department. At the end we can conclude that working under e-mitra society your Company is having an intense future and it also steps forward towards its Social responsibility.

Telecom :

It has been our endeavor to consistently customize our service offerings to suit the changing needs of our customer.

With holding "A" category ISP license from Department of Telecommunication, Government of India your company's Internet service presence has now reached in more than 10 states of India including West Bengal, Jharkhand , Madhya Pradesh, Uttarpradesh, Delhi, etc.

IKF's broadband Internet Service has now a large participation in International Call Centers Corporate small & medium enterprise clients, strategic alliance partner, retail SOHO, and residential clients.

We have entered into tie-ups with major bandwidth carriers and infrastructure providers for providing the internet service to our valuable customers.

Bio-Fuel :

Our Bio diesel is manufactured in stringent production processes and passed through rigorous quality checks to ensure that the final product meets all prescribed quality standards. For making our products cost effective and to satisfy bulk requirements we have adopted a streamline production process.

We are planning to spread our horizons all over the globe. In this short span of time, we have set various benchmarks for our competitors in providing best quality Biodiesel Fuels. Apart from this, our endeavor has been to build and maintain ever lasting healthy relationship with our honored clients.

Future Out Look :

In the Financial 2009-10, your Company made many new beginnings; we have created substantial new revenue opportunities by leveraging existing investments. These initiatives will provide a sustained, positive contribution to our business operations, financial performance and organizational strength over several years.

Your Company 's management planned to diversify their fields and intend to entered into new projects.

- By entered into a strategic Partnership with WAPMERR- INDIA aimed to explore new horizons in the field of GIS/MIS/ Survey related services to ultimately beneficial to public at large by using the knowledge and experience of both the parties.

- Further planned to enter into the Field of E- Learning, to provide e- education to the children of rural areas below the age of 6 years under the name of E- Shiksha. IKF will fulfill its purpose to provide education to the children of rural areas up to the age of 6 years to enable the child to compete with the level of children of urban or semi urban areas to brighten the future of India. IKF intend to collaborate for providing various avenues in e- Shiksha in order to make an effort with a social initiative as a part of their social responsibility.

We stay committed to deliver value to our partners by leveraging upon innovation at every step. We would like to thank our independent directors for their valuable contribution and our valued customers, vendors, bankers and shareholders for their continuous support.

I take this opportunity to thank the members for the abiding trust in IKF and look forward to continued support in the coming years.

Warm regards,
Dr. R. P. Singh
Chairman



Board of Directors

Dr. R. P. Singh	Chairman
Mr. Pradeep Dutta	Executive Director
Mr. Mukesh Goyal	Executive Director
Mr. Gajanand Gupta	Director
Mr. Pradeep Kumar	Director
Dr. B. B. L. Madhukar	Director

Incharge Eastern Zone

Mr. Manoj Rungta

National Head - BPO

Mr. Debarat Biswas

CEO R2R Seva

Mr. R. L. Garg

Chief Financial Officer

Mr. Vijay Agarwal

Company Secretary

Mrs. Sakshi Aggarwal

Listing

The Bombay Stock Exchange
The Calcutta Stock Exchange
The Luxembourg Stock Exchange

Registered Office

Rashmi Building Main Block
2nd Floor, Plot No. XI-16,
Block EP & GP
Salt Lake Electronics Complex
Sector V, Kolkata 700 091

Registrar & Share Transfer Agent

Big Share Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate
Sakivihar Road, Sakinaka
Andheri (East), Mumbai - 400 072

Bankers

HSBC Limited
ICICI Bank Limited
Axis Bank Limited
Corporation Bank Limited

Auditors

M/s. Agarwal Vishwanath & Associates
Chartered Accountants
7-B, Dacers Lane
Kolkata 700 069

Annual General Meeting

Date : 11th June, 2010
Time : 3.00 p.m.
Day : Friday
Venue : Ecospace (IT Park)
Ambuja Realty - Hospitality Division
Plot No. 2F/11, New Town Rajarhat,
North, 24 Parganas, Kolkata 700 156

Corporate Office

IKF House
A-56, Sector-16
Noida 201 301



NOTICE

Notice is hereby given that the 11th Annual General Meeting of the Members of the Company will be held on *Friday, the 11th day of June 2010 at 3:00 P.M. at Eco Space (IT Park), Ambuja Realty - Hospitality Division Plot No. 2F/11, New Town Rajarhat, North 24 Parganas, Kolkata - 700 156 to transact the following businesses :*

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2010 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors' and Directors' thereon.
2. To appoint a Director in place of Mr. Gajanand Gupta, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Pradeep Kumar, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorize the Board to fix their remuneration.

The outgoing Statutory Auditor M/s Agarwal Vishwanath & Associates, Chartered Accountants, (Firm Reg. No. 323024E) is eligible and offer themselves for re-appointment.

SPECIAL BUSINESS :

5. To Consider and, if thought fit, to pass with or without modification(S), the following resolution as an Ordinary Resolution :

"Resolved that Pursuant to Section 260 of the Companies Act, 1956, Articles of Association of the Company and other applicable provisions if any, Mr. B.B.L. Madhukar who has consented for the same, be and is hereby appointed as an Additional Director with effect from 30th March 2010 to hold office until the date of the ensuing Annual General Meeting. "

"Resolved further that Ms. Sakshi Agarwal, Company Secretary of the Company be and is hereby authorized to sign and submit necessary form (s) with the Registrar of Companies and to take such other steps as may be necessary in this regard."

6. To Consider and, if thought fit, to pass, with or without modification(s), the following resolution as a special Resolution :

"Resolved that pursuant to the provisions of the Memorandum and Articles of Association of the Company, Section 81(1A) of the Companies Act,

~~1956, guidelines issued by the Securities & Exchange Board of India (SEBI), the Foreign Exchange Management Act, 1999, and other applicable provisions, if any, and subject to such consents and approvals as may be required and subject further to such conditions and modifications as may be prescribed in granting such consents, approvals and subject to such conditions as may be imposed by the SEBI or any other authority, which may be agreed to by the Board of Directors of the Company at its sole discretion (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches, equity shares, debentures, bonds, instrument which are fully or partly convertible into Equity Shares, warrants or any other whether in Indian Rupee or any foreign currency (hereinafter collectively referred to as "Securities"), secured or unsecured, or any other instruments, to any person, whether or not the members of the Company, including the Promoters of the Company, their Friends, Relatives & Associates, Business Associates, Employees (including directors & workers) of the Company and its group companies, Corporate Bodies, Mutual Funds, Financial Institutions, Banks, Foreign Institutional Investors, Non Resident Indians, Foreign Nationals, Insurance Companies, Pension Funds, Portfolio Managers, etc., by way of public issue, right issue, issue of Foreign Currency convertible Bonds (FCCB), Global Depository Receipts (GDR), American Depository Receipts (ADR) reservation on competitive basis, reservation on firm allotment basis, private placement, preferential allotment basis or a combination thereof at such price or prices so however that the total amount raised through the aforesaid Securities should not exceed INR 500 crores (Rupees Five Hundred crores only) including premium when converted into Indian Rupees at the current prevailing market conversion rate of US Dollars or any foreign currency to Indian Rupee and on such terms and conditions or in such manner as the Board may in its absolute discretion think fit, in consultation with the Lead Managers, Advisors and/ or such other persons and on such terms and conditions including the ratio in which such Securities may be offered, issued and allotted to the existing shareholders, the number of Securities to be issued, face value of the Securities, rate of interest, premium, number of equity shares to be allotted on conversion, exercise of rights attached with warrants, ratio of exchange of shares and/ or warrants and/ or any other financial instruments, period of conversion, fixing of record date or book closure and other related or incidental matters.~~



Resolved further that in case of any Equity Linked Securities Issue/ Offer, the Board be authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any such Securities referred to above or as may be in accordance with the terms of the offer, all such shares would rank pari passu inter-se, with the then existing Equity Shares of the Company in all respects.

Resolved further that for the purpose of giving effect to the above, the Board be and is hereby authorized to determine the form, terms and timing of the issue(s) including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted, issue price, face value, premium amount on issue/ conversion of securities / exercise of warrants/ redemption of Securities, rate of interest, redemption period, listings on one or more stock exchanges in India and/ or abroad as the Board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/ or abroad, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the issue(s).

Resolved further that the Board of Directors or Committee thereof be and is hereby authorized to fix differential pricing on different mode of issue.

Resolved further that for the purpose of giving effect to the above resolution the Board and the committee thereof be and is hereby authorized on behalf of the Company to do all or any of such acts, deeds, matters and things as it may in its discretion deem necessary or desirable for such purpose including but without limitation to enter into underwriting, marketing, depository, custodian and any other arrangements or agreements and to remunerate all other agencies by way of commission, Brokerage, fees or the like and also to seek the listing of such securities in any one or more of the International/ Indian Stock Exchanges including Bombay Stock Exchange (BSE) with

power to act on behalf of the Company and to settle such questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its discretion deem fit.

Resolved further that in case of any over subscription of the issue, the Board, be and is hereby authorized to retain such of the amount and issue and allot Securities, as may be permitted in accordance with applicable laws, rules, and provisions in consultation with the Stock Exchanges.

Resolved further that the Board be entitled to vary, modify alter any of the foregoing terms and conditions to conform with those as may be approved by SEBI, RBI or any other appropriate authorities and department.

Resolved further that for the purpose of giving effect to the above the Board be and is hereby authorized to do all things necessary for the purpose of giving effects to the issue and allotment of said Securities / Equity Shares and to take such action or give such directions as may be necessary or desirable and to accept any modifications in the proposal and terms of the issue including the price of the Equity Shares to be so issued or to be issued against or conversion of such Securities or the ratio or number in which the New Equity Shares or Securities are to be offered which may result in a change in the total amount of the issue as may be considered necessary by the Board or as may be prescribed in granting approvals to the issue and which may be acceptable to the Board and to decide the Basis of Allotment and to settle any question or difficulty that may arise in regard to the Issue and Allotment of the New Equity Shares or Securities or on conversion of said Securities into Shares or on issue of Shares against such Securities.

Resolved further that the Board be and is hereby authorized to take all necessary actions to give effect to this resolution and to delegate to a Committee of Directors or any one of the Director, all or any of its powers and authorities vested in it in terms of this resolution as may be permitted by Law."

For and on Behalf of the Board
For IKF Technologies Ltd

Sd/-
Sakshi Aggarwal
Company Secretary

Date: 10th day of May '2010
Place: Kolkata

NOTES :

- A. APPOINTMENT OF PROXY:** A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE MEETING.
- B. CORPORATE MEMBERS:** Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- C.** Members/Proxies attending the meeting are requested to bring their copy of AGM Notice to the Meeting.
- D.** In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- E.** The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 9th day of June 2010 to Friday, 11th day of June 2010 (both days inclusive).
- F. QUERIES AT THE AGM:** Queries proposed to be raised at the Annual General meeting may be sent to the company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- G. EXPLANATORY STATEMENT:** The relative Explanatory Statements, pursuant to Section 173 of the Companies Act, 1956, in respect of the business under Item Nos. 5 and 6 above, are annexed hereto.
- H. INSPECTION OF DOCUMENTS:** Documents referred to in the notice etc., are open for inspection at the registered office of the Company at all working days except Saturday between 11 A.M. and 2 P. M. up to the 11th June 2010, day of the Annual General Meeting. Copies of the Memorandum and Articles of Association of the Company and the documents referred to in the Notice etc., shall be open for inspection at the Registered Office of the Company on any working day between 11 A.M. and 2 P.M. up to the date of the AGM and also at the general meeting venue during the meeting.
- I.** The Register of Directors' Shareholdings, maintained under Section 307 of the Companies Act, 1956, shall be available for inspection by the members at the AGM venue during the meeting.
- J.** Members/ proxies are requested to produce the enclosed attendance slips duly filled and signed as per the specimen signature recorded with the company for admission to the Meeting Hall. Members who hold shares in de-materialized form are requested to bring their client ID and DP ID Numbers for easier identification of their attendance at the meeting.
- K. ADDRESS CHANGE INTIMATION :** Members are requested to notify immediately any change in their address to the company or its Share transfer agent. In case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants without any delay.
- L** In all correspondence with the Company, members are requested to quote their Account/folio numbers and in case their shares are held in the dematerialized form, their client ID Numbers and their DP ID Numbers.



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

ITEM NO. 5 :

Pursuant to Section 260 of the Companies Act, 1956 and the Articles of Association of the Company the Board of Directors has appointed Dr. B.B.L. Madhukar as the Additional Director with effect from 30th March 2010 to hold office until the date of the ensuing Annual General Meeting. The board is proposing to appoint him as a director in the ensuing Annual General Meeting. Accordingly, the resolution is placed before the members for their consideration and approval. The Board recommends the proposed resolution for adoption in the larger interest of the Company. Brief profile and other details of Dr. B.B.L. Madhukar as per clause 49 of the listing agreement are provided in the Report on Corporate Governance forming part of the Annual Report.

None of the Directors except Dr. B.B.L. Madhukar himself is interested and concerned at Item no. 5 of the notice.

ITEM-NO.6 :

The Company has decided to enter into the new Field of E- Learning and to provide the GIS/MIS services and to compete with others at national as well as International level. The Company has in the year 2009-10 made unprecedented growth and further strengthening its position in the segment of Bio Fuel, IT/ITES, E- Governance and Telecom.

Our Company is gaining foot hold by making strategic investments and entered into joint ventures or partnerships with other Companies or institutions in various segments. The Company proposes to make acquisition not only in India but in every corner of the world in lucrative proposition which will in the coming years create value for the stakeholders. The funds are

required by the Company for expansion of business in IT/ ITES, Telecom and its new project of E-Learning and project of providing GIS/MIS services. For the expansion of business of the Company, project is proposed to be funded through a combination of equity and debt. Funds raised by issue of securities are proposed to be utilized in the expansion and diversification of the business and normal business activities of the Company.

The detailed terms and conditions of the Issue as and when made will be determined by the Board of Directors in consultation with the Merchant Bankers, Lead Managers, Advisors, Underwriters and other experts in accordance with the applicable provisions of law.

The proposed issue of securities as above may be made in one or more tranches, in domestic/ international market in Indian rupee or one or more foreign currency, by way of public issue, right issue, issue of foreign currency convertible bonds, global depository receipts, American depository receipt etc., as may be decided by the Board. The issue price and other terms and conditions of the security to be issued in the proposed offerings will be determined by the Board of Directors at the time of the offer depending on the then prevailing market conditions and the applicable regulations.

In terms of the provisions of Section 81(1A) of the Companies Act, 1956 and other applicable provisions if any, approval of members by way of special resolution is required for the proposed (said) resolution. The Board of Directors recommends and places before you the proposed resolutions for your consideration and approval.

None of the Directors of the Company are in any way, concerned or interested in the resolution, except to the extent of any security (ies) that may be offered and issued to them.

For and on Behalf of the Board
For IKF Technologies Ltd

Sd/-
Sakshi Aggarwal
Company Secretary

Date: 10th day of May '2010
Place: Kolkata



MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

OVERVIEW

We provide a broad and expanding range of knowledge process outsourcing services as well as publishing and related information technology services that help companies create and manage information more effectively and economically. Our solutions enable organizations to find new ways to transform inefficient business process, improve operations and reduce costs.

INDUSTRY STRUCTURE AND DEVELOPMENT

Changing economic and business conditions, rapid technological innovation, proliferation of the internet and globalization are creating an increasingly competitive market environment that is driving corporations to transform the manner in which they operate.

Consumers of products and services are increasingly demanding accelerated delivery times and lower prices. To adequately address these needs, companies are focusing on their core competencies and are using outsourced technology service providers to help improve productivity, develop new products, conduct research and development activities, reduce business risk and manage operations more effectively.

The ability to design, develop, implement and maintain advanced technology platforms and solutions to address business and client needs has become a competitive advantage and a priority for corporation worldwide. Concurrently, the prevalence of multiple technology platforms and a greater emphasis on network security and redundancy have increased the complexity and cost of IT systems, and have resulted in greater technology-related risks. The need for more dynamic technology solutions and the increased complexity, cost and risk associated with these technology platforms has created a growing need for specialist with experience in leveraging technology to help improve efficiency and security.

BUSINESS OUTLOOK

Companies are increasingly turning to offshore technology service providers to meet their need for high quality, cost competitive technology solutions. As a result, offshore technology providers have become critical in the industry and continue to grow in recognition and sophistication. The effective use of offshore technology services offers a variety of benefits, including lower cost of ownership of IT infrastructure, lower labor costs, improved quality and innovation, faster delivery of technology solutions and more flexibility in scheduling.

India is recognized as the prominent destination for offshore for offshore technology services. According the Nasscom, the fiscal will be better for the domestic market, which is at an inflection point. The public spending on IT, e-governance projects and increased automation by local companies, particularly healthcare, retails and BFSI would speed up the growth rate to 15-17 per cent and revenue to Rs. 76100-77500 crore. After bouncing back

from the global slump, Indian IT and BPO exports are projected to grow 13-15 per cent in FY11 to 56-57 billion, the growth rate three times that of the current financial year.

This financial year, IT and BPO export revenues are expected to grow 5.5 per cent to \$49.7 billion, placing it almost at the \$50 billion milestone that the industry has been aspiring for since 2000. In FY10, the domestic market is expected to clock Rs. 66,200 crore in revenue, 12 per cent higher than proceeding year.

The growth is back and so are the IT spends. We see a positive outlook. In fact, the current financial year has been a defining year, and the industry did not waste the crisis but used it to its advantage in terms of increasing its cost efficiencies, utilization rates, diversification into new verticals (like healthcare, utilities), new services lines (Remote Infrastructure Management), newer markets and pricing models.

According to the Nasscom, the industry now accounts for 25 per cent of India's export; 10.5 per cent of services revenues. Where domestic market is concerned, BPO continues to be the fastest growing segment, while IT services is likely to grow by 12 per cent in FY10.

THE IKF OF TODAY

IKF's strong foundation is in its ability to understand technology and its investment of quality time in building customer and partner relationships over the period. IKF is today an organization that offers the full spectrum of information, office automation, technology products and services to its customers. IKF has been consistently ranked as market leader in India for various product categories both its own and those of its partner.

GLOBAL TRENDS

The nature of technology outsourcing is changing. Historically, corporations either outsourced their technology requirements entirely or on a standalone project-by-project basis. In an environment of rapid technological change, globalization and regulatory changes, the complete outsourcing model is often perceived to limit a company's operational flexibility and not fully deliver potential cost savings and efficiency benefits.

The market for IT outsourcing is expected to rebound a bit in 2010, as per market watcher. Global trends point towards a greater IT adoption in retail, healthcare, telecom and BFSI (the banking, financial services and insurance vertical) and 80 per cent of growth to come from new areas. With BPOs moving up the value chain to provide such high-end services as business analytics and knowledge-based services through a mix of re-engineering skills, technology-enabled platforms, new operating models, and increased depth of services, BPO exports are estimated to grow 6 percent to \$12.4 billion (over Rs. 57,000 crore)

Asia is witnessing a marked rise in IT spend. While Asia-Pacific constitutes about 10 percent share of the total global IT services market, IT spending is a precursor to IT and BPO outsourcing and Asia-Pacific will attract increased competition, being the fastest growing geography with an estimated growth of 10 percent, as per Nasscom report.

OPPORTUNITIES & THREATS

We bring together our expertise in consulting, IT services and BPO to create solutions that allow our clients to increase their customer loyalty through faster innovation and delivery, to restructure their cost base, and help them achieve greater success through shifting business cycles. Our expertise helps our clients improve their own efficiencies; create better value for their end customers and to become more competitive. Our suite of comprehensive, end-to-end technology – based solutions enables us to offer services through our broad network of relationships, increase our dialog with key decision makers within each client, and increase the points of sale for new clients. As a result, we believe we are able to capture a greater share of our client's technology budgets. Through our consulting agencies, we have enhanced our ability to provide strategic and competitive analysis and complex operational consulting services.

Our Strategy

We seek to further strengthen our position as a leading global technology service company by successfully differentiating our service offering and increasing the scale of our operations. To achieve these goals, we seek to :

Increase business from existing and new clients

Our goal is to build enduring relationship with both existing and new clients. With existing clients, we aim to expand the nature and scope of our engagements by increasing the size and number of projects and extending the breadth of our service offerings. For new clients, we seek to provide value-added solutions by leveraging our in-depth industry expertise and expanding the breadth of services offered to them beyond those in the initial engagement. In order to further improve our business generation capabilities, we have established a Strategic Group comprising senior professionals and seek to identify, source and manage new, large and long-term client engagements.

Expand our Global presence

We plan to accomplish this by establishing new sales and marketing offices, representative's offices and global development centers to expand our geographical reach.

Continue to invest in infrastructure and employees

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

Continue to enhance our solution set

We seek to continually enhance our portfolio of solutions as a means of developing and growing our business. To differentiate our services, we focus on emerging trends, new technologies, specific industries, etc. that confront our clients. In recent years, we have added new service offerings such as made JV with Wappmerr for disaster management, e-Shiksha, consulting, business process management.

Competition

We operate in a highly competitive and rapidly changing market and compete with :

- x IT outsourcing firms such as AEGIS, HCL, Genpact, etc.
- x e-Learning services such as Educomp, Glixer, etc.
- x Business process outsourcing firms such as Genpact Limited and WNS Global Services ;

Outlook, risks and concerns

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

The following lists our outlook, risk and concern:

- Our revenues and expenses are difficult to predict and can vary significantly from period to period, which could cause our share price to decline.
- The economic environment, pricing pressure and decreased utilization rates could negatively impact our revenues and operating results.
- Any inability to manage our growth could disrupt our business and reduce our profitability.
- We may face difficulties in providing end-to-end business solutions for our clients, which could lead to clients discontinuing their work with us, which in turn could harm our business.
- Intense competition in the market for technology services could affect our cost advantages, which could reduce our share of business from clients could decrease our revenues.
- Our success depends largely upon our highly skilled technology professionals and our ability to hire, attract and retain these personnel.
- Disruptions in telecommunication, system failures, or virus attacks could harm our ability to execute our project, which could result in client dissatisfaction and a reduction of our revenues.
- We may engage in acquisitions, strategic investments, strategic alliances or partnerships or other ventures that may or may not be successful.

Internal control systems and their adequacy

The CEO and CFO certification provided in the CEO and CFO certification section of the Annual Report discusses the adequacy of our internal control systems and procedures.

Material developments in human resources/ industries relations front, including number of people employed

Our culture and reputation as a leader in the technology services industry enables us to recruit and retain some of the best available talent in India.

Human Capital

Our professionals are our most important assets. We believe that the quality and level of service that our professionals deliver are among the highest in the global technology services industry. The key elements that define our culture include :

Recruitment

We have built our global talent pool by recruiting new students from premier universities, colleges and institutes in India and through need based hiring of project leaders and middle managers. We typically recruit only students in India who have consistently shown high levels of achievement.

Training and development

Our training, continuing education and career development programs are designed to ensure our technology professionals enhance their skill-sets in alignment with their respective roles. We continually provide our technology professionals with challenging assignments and exposure to new skills, technologies and global opportunities.

Remuneration

Our technology professional receive competitive salaries and benefits. We have also adopted a performance-linked compensation program that links incentive program that links compensation to individual performance, as well as our performance.

SEGMENTWISE PERFORMANCE**A. Telecom Division****International Scenario**

The number of fixed broadband subscribers will rise to 501 million at the end of 2014, off those, about 106 million will subscribe to services delivered via fiber. Fiber broadband subscribers totaled 44 million at the end of 2009.

The number of fixed broadband subscribers totaled more than 422 million at the end of 2009, a 9% increase from 2008. As per industry analyst Serene Fong notes that, "Broadband penetration continues to increase since more service providers are

offering triple-play services and driving down access prices."

Among the three broadband technologies, 65% of worldwide fixed broadband consumers subscribe to DSL, 25% to cable and 11% to fiber broadband services. The number of fiber broadband subscribers is increasing fastest, showing a compound annual growth rate of 20% from 2008 to 2014.

"File sharing, music downloads, IPTV, online gaming and video conferencing are all acting to increase the user demand for high speed Internet. The number of fiber broadband subscribers is increasing with growing popularity of these services.

The Asia-Pacific region has the highest fiber broadband penetration, followed by North America. Asia-Pacific represents nearly 84% of worldwide fiber broadband subscribers. South Korea and Japan have the highest fiber broadband penetration.

Indian Scenario

Despite positive trend in India for Internet Access, India's move has not been praise worthy. High speed broadband penetration has been noticeably low in comparison to other major countries in Asia and rest of the world.

According to India's telecoms regulator, the Telecom Regulatory Authority of India (TRAI), the country had 12.85mn internet subscribers at the end of 2008. Although this is equivalent to just 1.1% of the country's population, TRAI reported that the number of subscribers grew by 24% during the year. Although the number of Broadband subscribers grew by 76.5% in 2008, they still only accounted for 0.5% of the country's population at the end of the year.

TRAI look forward to an annual average growth rate of 66% will help raise the penetration rate to 5.5% by 2013.

Alternative broadband infrastructures such as WiMAX will play a key role in driving the growth of the market. It is predicted that WiMAX will become the main platform for delivering internet connectivity in rural India, especially given the inadequate state of the country's fixed-line infrastructure.

Overview

IKF with its foray into Broadband Internet services from the year 2008 focusing into most competitive market of Internet services in India. IKF is holding class "A" ISP license from Department of Telecommunication, Government of India, which enables the company to spread its operation on PAN INDIA basis. Currently, IKF technologies Ltd has