

# **ANNUAL REPORT 2011-12**



## **PREMIER ENERGY AND INFRASTRUCTURE LIMITED**

**3rd Floor, Egmore Benefit Society Building  
No. 25, Flowers Road, Kilpauk, Chennai - 600 084  
Tel.: 044 2648 1213**

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

VIKRAM MANKAL	Managing Director & Chief Executive Officer
R. RAMAKRISHNAN	Director
MALKA KOMARAI AH	Director
K.N. NARAYANAN	Director
SUCHARITHA PARTHASARATHY	Director
RAJESH DEVARAJAN	Director

**CHIEF FINANCIAL OFFICER**

A. SRIRAM

**COMPANY SECRETARY & COMPLIANCE OFFICER**

S. SREENIDHI

**REGISTAR AND SHARE TRANSFER AGENTS**

Cameo Corporate Services Ltd  
Subramaniam Building  
#1 Club House Road  
Chennai - 600 002

**REGISTERED OFFICE**

3rd Floor  
Egmore Benefit Society Building  
No. 25, Flowers Road  
Kilpauk, Chennai - 600 084  
Tel.: 044 - 2648 1213

**AUDITORS**

M/s PKF Sridhar & Santhanam  
Chartered Accountants  
KRD GEE GEE Crystal, 7th Floor  
91-92, Dr. Radhakrishnan Salai  
Mylapore, Chennai 600 004.

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## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE TWENTIETH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD AT 11.00 A.M ON WEDNESDAY THE 12<sup>TH</sup> DECEMBER, 2012 AT BHARATHIYA VIDHYA BHAVAN (MINI HALL) 18, 20, 22 EAST MADA STREET, MYLAPORE, CHENNAI - 600 004 TO TRANSACT THE FOLLOWING BUSINESS**

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 30<sup>th</sup> June, 2012, and the Profit and Loss Account of the Company for the year ended 30<sup>th</sup> June, 2012 together with the Directors' Report and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. Malka Komaraiah who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company and fix their remuneration - M/s. PKF Sridhar & Santhanam, Chartered Accountants, Chennai retire at this Meeting and being eligible offer themselves for re-appointment.

**"RESOLVED THAT** M/s. PKF Sridhar & Santhanam, Chartered Accountants, (Firm Registration No : 003990S) Chennai, be and are hereby reappointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed on this behalf by the Board of Directors of the Company."

By the Order of the Board of Directors

Place : Chennai  
Date : 11<sup>th</sup> September, 2012

S. Sreenidhi  
Company Secretary

Regd. Office:  
3<sup>rd</sup> Floor, Egmore Benefit Society Building  
No. 25, Flowers Road, Kilpauk  
Chennai - 600 084

### NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. The proxy form duly completed must be returned so as to reach the registered office of the Company not less than 48 hours before the time of the commencement of the aforesaid meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday the 10<sup>th</sup> December, 2012 to Wednesday the 12<sup>th</sup> December, 2012 (both days inclusive).
3. Members/Proxies should bring their Attendance slip duly completed for attending the meeting. The signature on the attendance slip should match with the signature(s) registered with the Depositories / Company/RTA, as the case may be. Members holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification.
4. The Register of Directors' Shareholding maintained under Section 307 of the Companies Act, 1956, will be available for inspection of the Members at the venue of the Annual General Meeting.
5. The Register of Contracts maintained under Section 301 of the Companies Act, 1956, will be available for inspection of the Members at the Registered office of the Company.
6. As an economic measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of Annual Report to the meeting.

By the Order of the Board of Directors

Place : Chennai  
Date : 11<sup>th</sup> September, 2012

S. Sreenidhi  
Company Secretary

Regd. Office:  
3<sup>rd</sup> Floor, Egmore Benefit Society Building  
No. 25, Flowers Road, Kilpauk  
Chennai - 600 084

**Details of Directors seeking re-appointment at the forthcoming  
Annual General Meeting**

(Pursuant to Clause 49 (IV) (G) of the Listing Agreement)

**Profile of the Directors seeking Re-appointment**

**Mr. MALKA KOMARAI AH - DIRECTOR**

Mr. Malka Komaraiah, a graduate in Civil Engineering, is the driving force of Shalivahana Group.

Taking over the mantle of the group in the year 1984-85, he has been instrumental in guiding the group into diverse industry verticals like Power Generation, Engineering, Education, etc. His technical expertise coupled with business acumen has seen the group's business increase multifold and reach a number of milestones.

Never one to sit back on laurels, he always focuses ahead searching for new avenues for the Group to venture into and kindle substantial interest in strategic partners for investment in the group.

Mr. Malka Komaraiah joined the Board of Premier Energy and Infrastructure Limited on 29<sup>th</sup> October, 2009.

He is one of the Members of the Remuneration Committee of the Board of Directors of the Company.

He holds NIL shares in the Company.



## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the Twentieth Annual Report along with the Audited Accounts for the Financial Year ended 30<sup>th</sup> June, 2012.

The performance of the Company for the year ended 30<sup>th</sup> June, 2012 is summarized below:

(Rs. in Lacs)

	Consolidated		Standalone	
	2011-12	2010-11	2011-12	2010-11
Sale and Other Income	16305.59	22040.66	5481.55	3305.24
Profit / (Loss) before Depreciation, Interest and Tax	2160.61	2008.48	666.12	121.90
Interest	1074.88	1195.07	0.61	5.53
Depreciation	317.26	467.62	8.46	10.91
Profit (Loss) before Tax	768.47	345.79	657.05	105.46
Less : Provision for Tax	462.13	156.58	429.71	61.58
Less : Provision for Deferred Tax	12.37	13.55	0.30	-11.39
Minority Interest	33.51	61.50	–	–
Share of Profit of Associates	1386.36	863.38	–	–
Profit carried to Balance Sheet	1646.82	977.54	227.04	55.27

### PERFORMANCE REVIEW

The Consolidated Sales and other income for the year under review was Rs.16305.59 lacs as against Rs. 22040.66 lacs in the previous year. While the Standalone Turnover for the year is Rs. 5481.55 lacs as compared to Rs.3305.24 lacs in the previous year. The reduction in the Consolidated turnover was on account of reduction of turnover of the subsidiary company - Emas Engineers and Contractors Private Ltd due to slowing down of some of that company's real estate projects under execution. Profit before Interest, Depreciation and Tax was at a level of Rs.2160.61 lacs as against Rs. 2008.48 lacs. Your company has reported a Profit after Tax of Rs.1646.82 lacs as against Rs.977.54 lacs in the previous year.

### Business Highlights

Your Company has commenced execution of the Tadapatri 95 MW Project and the first phase of the 56 MW project is expected to be completed in all respects by the end of 2012.

Your Company has identified new lands for development of windfarm.

### Depository System

Your Company's Equity Shares are available in dematerialised form through National Securities Depository

Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As per the Securities Exchange Board of India (SEBI ) Circular No: Cir/ISD/3/2011 dated June 17, 2011 on "Trading rules and shareholding in dematerialized mode", all the Listed Companies were required achieve 100% of the promoters and promoter group's holding in dematerialized within a prescribed time limit. Accordingly the shares held by the promoters of your Company were held in electronic mode and as at 30<sup>th</sup> June, 2012. 87.77% of the Equity Shares of the Company were held in demat form as at 30<sup>th</sup> June, 2012.

### Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, in terms of Clause 49 of the Listing Agreement with the Stock Exchanges is reproduced in a separate section elsewhere in the Annual Report.

### CEO / CFO Certification

Mr. Vikram Mankal, Managing Director & Chief Executive Officer and Mr. A. Sriram, Chief Financial Officer have given a Certificate to the Board as required in Clause 49 (V) of the Listing Agreement.

### Consolidated Financial Statements

In accordance with Accounting Standard AS-21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India, the Audited Consolidated Financial Statements are provided as part of this Annual Report.

The Ministry of Corporate Affairs, Government of India has vide Circular No. 2/2011 dated February 8, 2011 granted general exemption, subject to fulfillment of certain conditions, from attaching the Balance Sheet of the Subsidiaries to the Balance Sheet of the Company, without obtaining prior approval from the Central Government for such exemption. Accordingly, the Balance sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. Financial information of the subsidiary companies are disclosed elsewhere in the Annual Report. The Annual Accounts of these subsidiaries and related detailed information will be made available to any member of the Company/its subsidiaries seeking such information at any point of time and are also available for inspection by any member of the Company/its subsidiaries at Registered office of the Company.

### SUBSIDIARY AND ASSOCIATE COMPANIES

As at 30<sup>th</sup> June, 2012, your Company has a total of 3 subsidiaries and 2 step down subsidiaries, the following are the details of the subsidiaries, step down subsidiaries and associate companies of your Company.

### SUBSIDIARY/STEP DOWN SUBSIDIARY COMPANIES

#### EMAS ENGINEERS AND CONTRACTORS PRIVATE LIMITED

EMAS is engaged in the business of Civil and Electro Mechanical contracting. The business portfolio of EMAS includes construction of residential buildings and commercial establishments. It has carried out projects in states of Tamil Nadu, Karnataka and Andhra Pradesh. Financial Highlights of EMAS for 2011- 2012 is as under:

(Rupees in Lacs)

Particulars	2011-12
Sales & Other Income	10821.87
Equity Capital	1202.40
Reserves & Surplus	3100.81
Earnings per share	0.56

#### RCI POWER LIMITED & RCI POWER (AP) LIMITED

These are the Companies that hold land for wind farm development. Wind Farm will be developed on the lands held by them. Further, RCI Power Limited has two subsidiaries

- i) RCI Windfarm 30MW Private Limited and
- ii) RCI Windfarm 50 MW Private Limited

### ASSOCIATE COMPANY

#### HALDIA COKE AND CHEMICALS PVT LTD

The Company has 29.97% of equity stake in Haldia Coke and Chemicals Pvt Ltd (HCCPL) which in turn holds 60.86% in Ennore Coke Limited. During the year ended 31<sup>st</sup> March, 2012, HCCPL reported a consolidated turnover of Rs.1672.94 crores with a Profit after tax of Rs.117.22 crores.

### Dividend

Considering the significant expansion plans and implementation of the same your Company requires substantial investments and hence the Board of Directors think it prudent to not recommend dividend for the year ended 30<sup>th</sup> June 2012.

### Deposits

The Company has not accepted any deposits either from the shareholders or public within the meaning of The Companies' (Acceptance of Deposits) Rules, 1975.

### Directors

Mr. Malka Komaraiah , retires by rotation at the ensuing Annual General Meeting and he, being eligible, offers himself for re-appointment.

Mrs. Vathsala Ranganathan resigned from the Board with effect from 02<sup>nd</sup> March 2012. The Board wishes to place on record the service rendered by Mrs. Vathsala Ranganathan as a Director of the Company.

### Directors' Responsibility Statement

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that :

- (i) in the presentation of the Annual Accounts for the year ended 30<sup>th</sup> June 2012, the applicable accounting standards read with the requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same ;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements 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 at 30<sup>th</sup> June 2012 and of the profit of the Company for the year ended on that date ;
- (iii) 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 ; and



(iv) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.

**Auditors and Auditors Report**

M./s PKF Sridhar & Santhanam, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. It is proposed to re-appoint them as Statutory Auditors of the Company for the financial year 2012-2013. The members are requested to consider their appointment and authorise the Board of Directors to fix their remuneration. The auditors have, under Section 224 (1B) and Section 226 of the Companies Act, 1956, furnished certificate of their eligibility for the appointment.

The Company has received a letter from the Statutory Auditors to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act.

The Auditor's Report is self explanatory and does not require any further comments under Section 217 (3) of the Companies Act, 1956 except that.

**Reply Point No.3 of the Auditors' Report to the Consolidated Financial Statements**

The Financial year of the EMAS Engineers and Contractors Private Ltd for the period 2011- 12 is from 1<sup>st</sup> April, 2011 to 30<sup>th</sup> June, 2012 . Hence the Un audited Financials for the period 1<sup>st</sup> July, 2011 to 30<sup>th</sup> June, 2012 were provided for consolidation of accounts.

**Reply Point No.4 of the Auditors' Report to the Consolidated Financial Statements**

The Financial year of the Haldia Coke and Chemicals Pvt Ltd are from 1<sup>st</sup> April to 31<sup>st</sup> March. Hence the Un

audited Financials as on 30<sup>th</sup> June, 2011 were provided for consolidation of accounts.

**Reply Point No.7 of the Auditors' Report to the Consolidated Financial Statements**

This will be examined and suitable provisions, if required, will be provided by EMAS Engineers and Contractors Pvt Ltd in the next year.

**Energy conservation, technology absorption and foreign exchange earnings and outgo**

The Company has no activities, relating to conservation of energy or technology absorption during the year under review. The out go on expenditure in foreign currency on account of travel was Rs. 2,057,342/-

**Particulars of Employees**

As required under the provisions of Section 217 of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 particulars of employees are not required to be set out in the Report since there are no employees who are covered under the abovementioned provisions and rules.

**Acknowledgement and Appreciation**

Your Directors wish to express their appreciation for the assistance, support and cooperation extended by all Members during the year under review.

For and on behalf of the Board

**Vikram Mankal**  
Managing Director & C.E.O.

**K.N. Narayanan**  
Director

Place : Chennai  
Date : 11<sup>th</sup> September, 2012

## MANAGEMENT DISCUSSION AND ANALYSIS FY - 2011-12

### COMPANY OVERVIEW

Premier Energy and Infrastructure Limited (PEIL) is focused on construction, housing development and energy sector and has executed several projects in the states of Tamil Nadu, Karnataka and Andhra Pradesh. PEIL undertook estate development projects with business focus on residential and commercial developments. PEIL has completed more than 20 projects in residential and construction space with a built up area of around 9.50 Lakhs Square feet.

PEIL, further has expanded to the sector of developing infrastructural facilities in Power generation.

PEIL is currently expanding its renewable power generation presence in the country and developing projects in the State of Andhra Pradesh. PEIL, has been executing a 95 MW wind farm project in Tadapatri, Andhra Pradesh for Leitner Shriram Manufacturing Limited. This project is expected to be completed by March, 2013.

### THE MACRO - ECONOMIC SCENARIO

Fiscal 2011-12 was a challenging year for the businesses across the globe due to the impact of multiple events. The sovereign debt crisis in Europe and the slow progress of the US economy to emerge from the effects of the earlier global financial crisis meant that Global GDP remained sluggish. Fiscal stimuli injected by these Governments to resuscitate their economies over the last few years has resulted in excess liquidity and led to a sharp rise in commodity prices and natural resources.

This, in turn, has led to the moderation of growth of emerging economies which have been contributing significantly to global GDP growth in recent times. Other events, like the political unrest in the Middle East which led to an escalation in the price of crude oil and natural disasters in Japan and Indonesia which caused disruptions in established business, drove increased volatility.

The outlook still remains uncertain with emerging economies having to bear the brunt of a sustained rise in prices of commodities and food articles, while the developed nations have to prepare for environment of limited fiscal stimulus.

Apart from the global challenges, the domestic economy was saddled with its own set of problems. This led to a moderation in the Gross Domestic Product (GDP) which is estimated to have grown at only 6.9% in 2011 -12 in real terms, after having grown at the rate of 8.4% in each of the two preceding years.

The challenges which are well documented range from persistent inflation, a resultant increase in interest rates, introduction of tough tax laws, a weakening currency and a burgeoning fiscal deficit. All of these led to a steady break down in the perception of global business community towards India and resulted in weakening of the domestic business sentiment.

Despite all these challenges, the fact remains that we are still the second fastest growing economy in the world, with only China being ahead of us. The outlook remains cautious, the economy predicted to grow at or around 7.00% +/- 0.25%

### SECTOR OVERVIEW

#### Renewable Power Generation

India is both a major energy producer and consumer. India ranked as the world's fifth largest energy producing nation in 2010 behind China, United States, Russia and Japan. It is also the world's fifth largest energy consumer. The global average per capita consumption of energy is currently at about 2,500 kWh. It is said that the basic minimum requirement of energy in middle income countries is about 4,500 to 5,000 kWh per capita. Further, global population is expected to rise from about 6.8 billion currently to about 9 billion by 2050 and then stabilize. Whether to enhance current standards of consumption or to cater to the needs of a growing population; the world will need more energy.

For the power sector, growth in absolute energy consumption is perhaps more relevant than just percentage change in energy consumption. Further, it is also seen that the ability to pay in markets that have high energy growth rates is weaker as compared to the developed markets.

#### Housing Development

India's real estate industry is only recovering from a torrid examination. The excesses of the realty boom are a distant memory in the backdrop of the past year's realty crisis, of which the residential market slump was a significant symptom. As residential demand evaporated, developers were forced to implement innovative coping strategies in order to combat accumulating inventory and a severe lack of liquidity. The start of the current financial year ushered in a wave of optimism that has permeated through different sectors of the economy and revived demand sentiments. While residential prices are once again on the rise, the jolts of the past year have altered the dynamics of India's residential market.





The key factors that will shape the energy / electricity markets will be climate change and energy security. The key drivers for the power sector will be based on:

- World moving towards the optimal energy mix based on either low carbon or low cost.
- Focus on increasing the overall system efficiency through technology breakthroughs.
- New delivery models like decentralized generation.

Renewable energy principally comprises of wind power, hydro power, solar power, biomass energy and geothermal energy. Renewable energies are increasingly important contributors to the world's energy supply portfolio as they contribute to world energy supply security, reducing dependency on fossil fuel resources, and provide opportunities for mitigating greenhouse gases. Renewable energy will be the fastest-growing source of electricity generation, increasing by about 2.9% annually to grow from 19.0% of the world's electricity generation in 2006 to 21.0% in 2030 according to Energy Information Administration's International Energy Outlook.

Renewable energy-based power capacities have registered the highest pace of growth in the overall capacity additions in India compared to non-renewable sources, increasing their share of total power capacity from 2.0% in FY2003 to around 10.0% in 2010. Nonetheless, contribution from renewable energy sources towards overall generation has been low at around 3.0% due to low plant load factors of renewable capacities. (Source: CRISIL Report)

The key drivers for the renewable energy sector in India include:

- a) The demand-supply gap, especially as population increases;
- b) Regulatory incentives and the availability of CDM benefits and Indian RECs, when fully-implemented by the Indian government
- c) A large untapped potential;
- d) environmental concerns regarding the use of fossil fuels
- e) The desire to strengthen India's energy security; and
- f) a viable solution for rural electrification.

## SWOT ANALYSIS

### Strengths

- PEIL, is also a developer of renewable energy power plants in India based on aggregate installed capacity.
- Operates in the rapidly growing renewable energy sector, which benefits from increasing demand for electricity and regulatory support.

- Experienced management and operating team with relevant industry knowledge and expertise.

### Weakness

- Revenues from our business of renewable power generation are exposed to market based electricity prices.
- We are also susceptible to any delay in execution or escalation in cost by sub-contractors executing our projects and these delays or cost escalations may make new energy projects too expensive to complete or unprofitable to operate.
- Development activities and operations through third party developers, over which we may not have full control.
- The SEBs that we deal with may face challenges on financial viability and hence may delay or defer payments.

### Opportunities

- The gap between demand and supply for power in the country presents a large and lucrative business opportunity that is expected to sustain for a number of years
- There is large amount of interest in renewable energy generation and the benefits lead to premium pricing.

### Threats

- We face constraints to expand our renewable energy business due to unavailability of suitable operating sites, which are in limited supply.
- Our business is governed by a tight regulatory mechanism across various regions that we operate and any negative impact due to change in regulations could affect the viability of the business.

## RISKS AND CONCERNS

### Industry Risks - Housing Sector

Due to increased demand for land for development of residential and commercial properties, we are experiencing increasing competition in acquiring land in various geographies where we operate or propose to operate. In addition, the unavailability or shortage of suitable parcels of land for development leads to an escalation in land prices. Any such escalation in the price of developable land could materially and adversely affect our business, prospects, financial condition and results of operations. Additionally, the availability of land, its use and development, is subject to regulations by various local authorities. For example, if a specific parcel of land has been delineated as agricultural land, no commercial or

residential development is permitted without the prior approval of the local authorities.

### **Industry Risks – Renewable Power Generation Sector**

The Company is exposed to typical industry risk factors including competition, regulatory environment and liquidity risks. The company tries to manage these risks by maintaining conservative financial policies and by adopting prudent risk management practices.

### **Regulatory environment risk - Housing Sector**

The present Government of India has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. However, there can be no assurance that such policies will be continued and a significant change in the Government of India's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.

### **Regulatory environment risk - Renewable Power Generation Sector**

The Company is in a business which is dependent in a major way on regulatory policies as well as pricing. Any adverse change in the regulatory policy framework could impact the company's operations and financial results.

Besides the above risks, the Company has perceived risks arising from delay in execution of projects and delivery of products and services and these could arise due to external factors like lack of infrastructure and non availability of finance and resources at reasonable costs.

### **INTERNAL CONTROLS**

The company has adequate internal control systems commensurate within its size and nature of business. The Management has overall responsibility for the Company's internal control system to safeguard the assets, usage of resources, compliance with applicable laws & regulations and to ensure reliability of financial records.

### **HUMAN RESOURCES**

Our Human resources are a very valuable asset for our Company and employee involvement is encouraged and harnessed towards attainment of the Company's goals. A good pool of human resources is the biggest competitive advantage of PEIL.

### **MANAGEMENT'S RESPONSIBILITY STATEMENT**

The management is responsible for preparing the company's consolidated financial statements and related information that appears in this annual report. It believes that these financial statements fairly reflect the form and substance of transactions, and reasonably represent the company's financial condition and results of operations in conformity with Indian Generally Accepted Accounting Principles.

### **SAFE HARBOUR**

Some of the statements in this Annual Report that are not historical facts are forward looking statements. These forward looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market fluctuations in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.