REPORT OF THE CHIEF EXECUTIVE OFFICER TO THE SOLE MEMBER, ITC INFOTECH (USA), INC.

I take pleasure in presenting my Report together with the Audited Financial Statements of the Company for the financial year ended 31st March, 2012.

Principal Activities

Your Company is engaged in providing Software Testing and Quality Assurance services primarily for the Banking, Financial Services & Insurance business segments.

Business Review

Pyxis primarily provides high-end, domain-based quality consulting to marquee clients in the financial services industry.

During 2011, growth in IT services spends in the US financial services industry lagged that of overall IT services growth. The sector posted a growth of only 1.5 per cent compared to the overall growth of 4.4 per cent, and continued to be characterised by sporadic rate cuts and furloughs. Amidst challenging market conditions, your Company's focus was on client retention, cost management and strengthening solution capability aligned to market needs. Your Company was chosen by its largest client to support a high visibility project that was revived after being put on hold due to market conditions. Further, the strength of Pyxis' capability enabled major new client acquisition towards the end of the financial year. The increased client activity and the efforts towards successful client retention present attractive growth possibilities in the next financial year.

During the year under review your Company registered a Turnover of US$5.84 million (previous year - US$6.34million) and a Net Income of US$0.09 million (previous year - US$0.02million).

Your Company declared and paid US$ 500,000 (previous year - US$750,000) as dividend for the financial year 2011-12 by way of distribution to the Sole Member.

Auditors

M/s. EisnerAmper LLP, Accountants and Advisors, Auditors of the Company, offer themselves for re-appointment as Auditors of the Company to audit the Financial Statements of the Company for the financial year ending 31st March, 2013.

May 7, 2012

Amar Singh Duggal
Chief Executive Officer

INDEPENDENT AUDITORS' REPORT

ITC Infotech (USA), Inc., sole member of Pyxis Solutions, LLC.

We have audited the accompanying balance sheets of Pyxis Solutions, LLC as of March 31, 2012 and 2011, and the related statements of operations and member's equity and cash flows for each of the years then ended. The financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 consideration of internal controls over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, and assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pyxis Solutions, LLC as of March 31, 2012 and 2011, and the results of its operations and their cash flows for each of the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note B[1], the Indian Rupee equivalent figures have been included in the financial statements as required by ITC Infotech India Limited, the ultimate parent company for informational purpose only, and is not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

EisnerAmper LLP
Edison, New Jersey
May 7, 2012

BALANCE SHEET AS AT 31ST MARCH, 2012

	March 31, 2012 $	March 31, 2012 ₹	March 31, 2011 $	March 31, 2011 ₹
Assets				
Current assets				
Cash and cash equivalents	1,549,410	74,449,151	1,800,796	80,315,502
Accounts receivable, net of allowance for doubtful accounts of $ 8,391 (₹ 403,188) for 2012 and $ 8,391 (₹ 374,239) for 2011, respectively	951,422	45,715,827	985,224	43,940,990
Due from ITC Infotech (USA), Inc., net	29,888	1,436,118	75,797	3,380,546
Advances to employees	—	—	4,713	210,200
Prepaid expenses	11,030	529,992	11,211	500,011
Total current assets	2,541,750	122,131,088	2,877,741	128,347,249
Computer equipment, net of accumulated depreciation of $1,120 (₹ 53,816) and $814 (₹36,304) for 2012 and 2011 respectively	102	4,901	407	18,152
	2,541,852	122,135,989	2,878,148	128,365,401
Liabilities and Member's Equity				
Current liabilities				
Accounts payable	86,000	4,132,300	86,000	3,835,600
Accrued expenses and other current liabilities	375,891	18,061,562	290,493	12,955,988
Accrued payroll and payroll taxes	173,873	8,354,598	188,574	8,410,400
Due to ITC Infotech India Ltd., net	37,696	1,811,293	33,108	1,476,617
Total current liabilities	673,460	32,359,753	598,175	26,678,605
Commitments and contingencies (Note F)				
Member's equity	1,868,392	89,776,236	2,279,973	101,686,796
	2,541,852	122,135,989	2,878,148	128,365,401

Date : May 7, 2012

V. Sawhney, *Financial Controller*
Greg Zvi Brener, *Chief Operating Officer*
A. Duggal, *Chief Executive Officer*

The accompanying notes are an integral part of these financial statements

STATEMENT OF OPERATIONS AND MEMBER'S EQUITY FOR THE YEAR ENDED 31ST MARCH, 2012

	Year Ended March 31, 2012 $	Year Ended March 31, 2012 ₹	Year Ended March 31, 2011 $	Year Ended March 31, 2011 ₹
Revenue				
Service Fees	5,836,637	280,450,408	6,337,487	282,651,920
Total revenue	5,836,637	280,450,408	6,337,487	282,651,920
Cost of revenue, principally employment cost and subcontractor fees	4,713,368	226,477,332	5,122,152	228,447,979
Gross profit	1,123,269	53,973,076	1,215,335	54,203,941
General and administrative expenses	1,037,293	49,841,929	1,194,272	53,264,531
Operating income	85,976	4,131,147	21,063	939,410
Other income	2,443	117,386	3,609	160,961
Net income	88,419	4,248,533	24,672	1,100,371
Member's equity at the beginning of year	2,279,973	109,552,703	3,005,301	134,036,425
Member's distribution	(500,000)	(24,025,000)	(750,000)	(33,450,000)
Member's equity at the end of year	1,868,392	89,776,236	2,279,973	101,686,796

Date : May 7, 2012	V. Sawhney *Financial Controller*	Greg Zvi Brener *Chief Operating Officer*	A. Duggal *Chief Executive Officer*

The accompanying notes are an integral part of these financial statements

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2012

	Year Ended March 31, 2012 $	Year Ended March 31, 2012 ₹	Year Ended March 31, 2011 $	Year Ended March 31, 2011 ₹
Cash flows from operating activities				
Net income	88,419	4,248,533	24,672	1,100,371
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation and amortization	305	14,655	305	13,603
Changes in assets and liabilities				
Accounts receivable	33,802	1,624,186	620,966	27,695,084
Due from ITC Infotech (USA), Inc.	45,909	2,205,927	(75,797)	(3,380,546)
Advances to employees	4,713	226,460	(4,713)	(210,200)
Trade advance	—	—	48,500	2,163,100
Prepaid expenses	181	8,697	5,901	263,185
Accrued expenses and other current liabilities	85,398	4,103,374	55,440	2,472,624
Accrued payroll and payroll taxes	(14,701)	(706,383)	(47,898)	(2,136,251)
Due to ITC Infotech India Ltd., net	4,588	220,453	(4,254)	(189,728)
Net cash provided by operating activities	248,614	11,945,902	623,122	27,791,242
Cash flows from financing activities				
Member's distribution	(500,000)	(24,025,000)	(750,000)	(33,450,000)
Net cash used in financing activities	(500,000)	(24,025,000)	(750,000)	(33,450,000)
Net decrease in cash and cash equivalents	(251,386)	(12,079,098)	(126,878)	(5,658,758)
Cash and cash equivalents at beginning of the year	1,800,796	86,528,249	1,927,674	85,974,260
Cash and cash equivalents at end of the year	1,549,410	74,449,151	1,800,796	80,315,502

Date : May 7, 2012	V. Sawhney *Financial Controller*	Greg Zvi Brener *Chief Operating Officer*	A. Duggal *Chief Executive Officer*

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

March 31, 2012 and 2011

NOTE A - BUSINESS BACKGROUND AND PRINCIPAL TRANSACTIONS WITH AFFILIATES

Pyxis Solutions, LLC. (the "Company") is principally engaged in the information technology services business offering Quality Assurance (QA) solutions and testing services. Its customers are commercial entities throughout the United States of America. The work is usually performed under contracts which specify fixed hourly rates (which depend upon the skill level of the consultant staffed at the customer's location) and which vary in length, but are typically more than one year in duration. The Company was formed as a New York State limited liability company in 2000.

The Company became a wholly owned subsidiary of ITC Infotech (USA), Inc. (the "Parent Company") on August 11, 2008 as a result of the acquisition of 100% of the membership interest by ITC Infotech (USA), Inc.

One of the founding members of the Company, who is also the CEO of the Company, owns a majority interest in entities performing similar services in India and Singapore. Similarly, both the founding members of the Company equally own the entire interest in an entity performing similar services in the United Kingdom. See Note D for transactions with these related parties.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. **Basis of presentation**

   The financial statements of the Company are prepared in accordance with accounting principles generally accepted in the United States of America, the country of formation. The amounts are represented in U.S. dollars. As required by ITC Infotech India Limited, the parent's parent company, the Indian Rupee equivalent figures, arrived at by applying the average interbank exchange rate of US$1 = ₹ 48.05 (2011: US$1 = ₹ 44.60) as provided by the parent's parent company, have been included solely for informational purposes and is not in conformance with the provisions of FASB ASC 830-30 – Foreign Currency Matters – Translation of Financial Statements and U.S. GAAP.

2. **Recognition of revenue**

   Service revenue

   Service revenue is based upon hours worked by the Company employees on customer assignments and is recognised when the work is performed. Revenue is determined by multiplying the hours worked by the contractual billing rates. Substantially all customers are invoiced bi-weekly or monthly.

3. **Cash and cash equivalents**

   For purposes of reporting cash flows, the Company considers all cash accounts which are not subject to withdrawal restrictions or penalties, and certificates of deposit with maturities of ninety days or less, when purchased, to be cash or cash equivalents.

4. **Accounts receivable and allowance for doubtful accounts**

   Credit is extended based on evaluation of a customer's financial condition and, generally, collateral is not required. Accounts receivable are generally due within 30 to 60 days and are stated at amounts due from customers net of an allowance for doubtful accounts. Accounts outstanding longer than the contractual payment terms are considered past due. The Company creates an allowance for accounts receivable based on historical experience and management's evaluation of outstanding accounts receivable. Accounts are written off when they are deemed uncollectible.

5. **Computer equipment**

   Computer equipment is stated at cost. Depreciation is provided under the straight-line method based upon the estimated useful lives of the assets, with such lives ranging up to four years.

6. **Income Taxes**

   As a result of the Company electing to be a disregarded entity, it is not liable for any federal or state income taxes and is not entitled to any tax benefits resulting from operating losses. The Parent Company does not allocate any of its tax liabilities or benefits to the Company.

7. **Use of estimates**

   In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Although actual results could differ from those estimates, in the opinion of the management such estimates would not materially affect the financial statements.

8. **Foreign currency translation**

   The Company maintains a foreign currency bank account denominated in GBP (Pound Sterling). Foreign currency transaction gains resulting from exchange rate fluctuations on transactions denominated in foreign currencies totaled $96 (₹ 4,613) and $1,619 (₹ 72,207) as of March 31, 2012 and 2011, respectively, and are included in Other Income in the accompanying statements of operations.

9. **Subsequent events**

   The Company evaluated subsequent events from March 31, 2012 through May 7, 2012, the date the financial statements were available to be issued.

NOTE C - ACQUISITION OF MEMBERSHIP INTERESTS

On August 11, 2008, the membership interests of the founders were acquired by the Parent Company. As permitted by accounting principles generally accepted in the United States, the impact of the purchase was not "pushed-down" to the Company. Accordingly, the financial statements presented do not reflect the adjustment of any asset, liability or equity accounts to fair value on such date, and the amounts presented do reflect a continuity of operations and basis of presentation.

NOTE D - RELATED PARTY TRANSACTIONS

The Company has entered into various transactions with its related parties as follows:

	Year Ended March 31, 2012 $	Year Ended March 31, 2012 ₹	Year Ended March 31, 2011 $	Year Ended March 31, 2011 ₹
Transactions with ITC Infotech (USA), Inc.				
Service / Account Management fees / others recognised as revenue by Pyxis	184,240	8,852,732	241,176	10,756,450
Costs for project consultations / other expenses, included in cost of revenue	58,656	2,818,421	—	—
Project / other expenses reimbursements incurred by Pyxis	604	29,022	29,149	1,300,045
Project / other expenses reimbursements incurred by Parent Company	508,597	24,438,086	233,665	10,421,459
Transactions with ITC Infotech India Ltd.				
Costs for project consultations / other expenses, included in cost of revenue	421,552	20,255,574	371,314	16,560,604

Trade advance of $48,500 (₹ 2,163,100) receivable from Pyxis Singapore as of March 31, 2010 was received during the year 2010-11.

NOTE E - ACCOUNTS RECEIVABLE

Accounts receivable consist of trade accounts receivable and unbilled accounts receivable (representing services performed prior to the balance

NOTES TO THE FINANCIAL STATEMENTS *(Contd.)*

sheet dates, but not invoiced to the customer until thereafter). Unbilled receivables were $ 205,032 (₹ 9,851,788) and $ 456,983 (₹ 20,381,442) as of March 31, 2012 and 2011, respectively.

NOTE F - COMMITMENTS AND CONTINGENCIES

Leases

The Company has leased office space under a non-cancellable operating lease expiring March 31, 2015. Total rent expense under this lease was $73,524 (₹ 3,532,828) and $48,955 (₹ 2,183,393) for years ending March 31, 2012 and 2011, respectively. In addition, the Company has entered into a non-cancellable operating lease for rental of equipment expiring through 2014. Total expense under this lease for years ending March 31, 2012 and 2011 was $2,976 (₹ 142,997) and $2,171 (₹ 96,827), respectively.

The future minimum annual lease payments at March 31, 2012 are as follows:

	Office Rent		Equipment		Total	
Year	$	₹	$	₹	$	₹
2012-13	63,261	3,039,691	2,391	114,888	65,652	3,154,579
2013-14	63,261	3,039,691	1,196	57,468	64,457	3,097,159
2014-15	42,174	2,026,461	—	—	42,174	2,026,461
Total minimum lease payments	168,696	8,105,843	3,587	172,356	172,283	8,278,199

NOTE G - CONCENTRATION OF CREDIT RISK AND SIGNIFICANT CUSTOMERS

A significant portion of the Company's sales are to several key customers. Two such customers accounted for approximately 80% and approximately 60% of the Company's net revenues for the year ended March 31, 2012 and 2011 respectively. These two customers accounted for approximately 87% and 49% of total accounts receivable at March 31, 2012 and 2011, respectively.

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to regulatory limits. The Company has not experienced any losses in such accounts.

NOTE H - EMPLOYMENT AGREEMENT

The Parent Company entered into consultation agreements with Mr. Amar Duggal and Mr. Greg Zvi Brener through their respective companies, as the Company's Chief Executive Officer and Chief Operating Officer, respectively during the year 2010-11. The term of these consultation agreements are for a period of two years (expiring November 2012).

NOTE I - MEMBER'S DISTRIBUTION

The Company paid a dividend of $500,000 (₹ 24,025,000) by way of distribution to the Parent Company, on March 5, 2012.

The Company paid a dividend of $750,000 (₹ 33,450,000) by way of distribution to the Parent Company, on March 31, 2011.