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A Note on : EnPointe Global Acquisition by ADSL**Latest Acquisition**

Allied Digital Services Ltd, an IT infrastructure management services provider has acquired 80.5% stake for a valuation of US\$ 30 Million in EnPointe Global Services(EGS) USA, an IT Infrastructure Management / Remote Management Services provider, a carved out subsidiary of EnPointe Technologies Inc(ENPT), a NASDAQ listed company with revenues over US\$ 340 Million.

Company Background

Allied Digital growing at 45% revenue CAGR & 70% profit CAGR for last 3 years, with a strength of more than 1600 professionals from different managerial & engineering backgrounds, across 132 locations within India, caters to a diverse customer base across the BFSI, Manufacturing, Retail, Telecom and BPO Verticals Allied Digital's SOC in tie up with E-Cop Singapore enjoys 90% market share in the BFSI vertical and set to generate huge business opportunity in the US Market.

**About- En Pointe Global
(Acquired company by
ADSL)**

En Pointe Global has contracted revenues of US\$ 40 Million, with gross margins of 35%. En Pointe Global will receive on going marketing & business support from US\$ 350 Million En Pointe Technologies, which has a strong sales team, reach & credibility established over last 15 years of operation in the US market & arm established presence across 44 states and a client base which includes several Fortune 1000 corporate across Banking, Financial, Services & Insurance (BFSI), healthcare, retail, manufacturing, aviation, transportation sectors.

Mode of Transaction

The transaction is a combination of cash & equity swap, entailing upfront cash payment of US\$ 10 Million & issuance of 745,000 equity shares of ADSL to ENPT, with an additional cash infusion of US\$ 4 Million in En Pointe Global.

**Global Market
Opportunity**

The global market opportunity for remote infrastructure management services has been predicted to reach \$ 70 billion, according to industry association NASSCOM. ADSL's expertise in Remote IT infrastructure management services, will enhance EGSs ability to up sell High-end enterprise and data centre management service offerings to ENPT wide customer base across USA by offering them cost effective Remote Infrastructure Management. Managed Security, Compliance Monitoring and Reporting Services

Conclusion

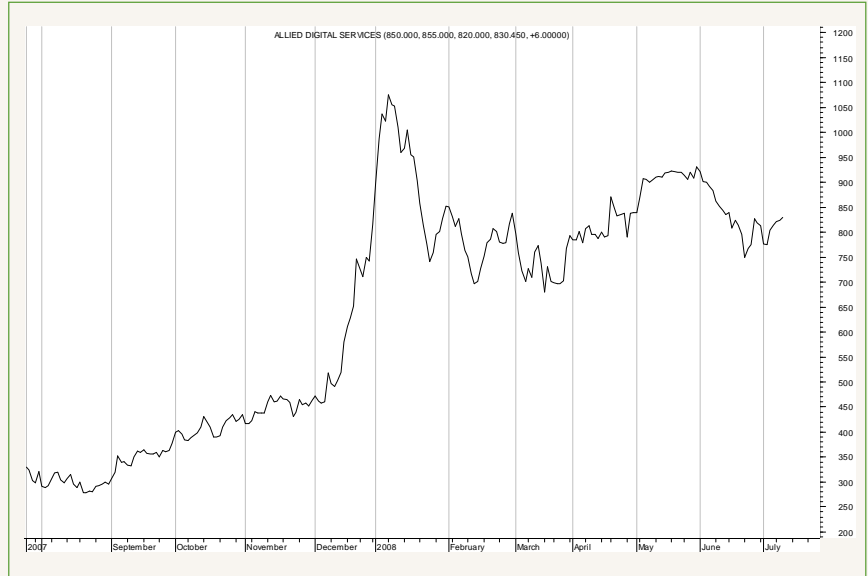
This acquisition is expected to strengthen the opportunity pipeline for Allied Digital Services Ltd (ADSL) in the US market for Remote Service offerings (Network Operation Centre & Security Operation Centre) and provides a significant boost to earnings growth for ADSL. Also, the acquired entity would serve as a platform for several other inorganic growth initiatives across the globe.

In Rs (Mn)	FY06	FY07	FY08	FY09E
Net Sales	884.7	1560.3	2972.6	5239
Growth%		76.4	90.5	76.2
EBITDA	173.8	331.8	692.6	1470
Growth%		90.9	108.7	112.2
% to total sales	19.6	21.3	23.3	28.1
PAT	120.6	229.3	429.4	895
Growth%		90.1	87.3	108.4
% to total sales	13.6	14.7	14.4	17.1
EPS	7.0	13.3	24.8	51.7
PE _x	130.5	68.7	36.7	17.6
Equity	173	173	173	173

EQUITY - SHARE HOLDING PATTERN_NEW - Allied Digital Services Ltd (Curr: Rs in Mn.)

Description as on	No of Shares		% of Holding	
	03/31/2008	03/31/2008	12/31/2007	12/31/2007
Bennett, Coleman & Company Ltd	592500	3.43	592500	3.43
Dhara Shah	250	0	250	0
DSP Merrill Lynch Trustee Company Pvt Ltd	191748	1.11	296473	1.71
ICICI Prudential Fusion Fund Series II	537100	3.11		
ICICI Prudential Technology Fund	237016	1.37		
India Discovery Fund Ltd	468976	2.71	429061	2.48
Nehal Shah	250	0	250	0
Nitin D Shah	6322843	36.57	6322843	36.57
Placeringsfonden Handelsbanken Indian			407684	2.36
Prakash D Shah	3263107	18.87	3263107	18.87
Principal Trustee Company Pvt Ltd			188010	1.09
Prudential ICICI Trust Ltd			777216	4.49
Remesh Shah	250	0	250	0
Rohan Shah	250	0	250	0
Sandstone Capital India Master Fund Ltd	621359	3.59	586359	3.39
Tejal P Shah	563000	3.26	563000	3.26
Vivil Investments Pvt Ltd	1055000	6.1	1055000	6.1

**Price Chart
Allied Digital**



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