

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2010

(Rupees in Lakhs)

Sl. No.	Particulars	Quarter Ended 31-Dec-10 (Unaudited)	Quarter Ended 31-Dec-09 (Unaudited)	Nine months Ended 31-Dec-10 (Unaudited)	Nine months Ended 31-Dec-09 (Unaudited)	Year Ended 31-Mar-10 (Audited)
1	Net Sales	31,382	23,906	86,218	70,906	95,312
2	Expenditure					
a	Employees Cost	19,674	13,077	54,014	39,801	54,272
b	Travel Expenses	1,952	1,480	5,461	3,979	5,510
c	Purchases - Services/Products	1,318	1,125	3,203	2,667	3,224
d	Depreciation and Amortisation	1,223	1,111	3,633	3,428	4,357
e	Other expenditure	3,660	3,046	10,187	8,894	11,479
f	Total	27,827	19,839	76,498	58,769	78,842
3	Profit from Operations before Other Income and Interest expense	3,555	4,067	9,720	12,137	16,470
4	Other Income	963	775	2,217	2,853	4,637
5	Profit before Interest and exceptional item	4,518	4,842	11,937	14,990	21,107
6	Interest expense	17	15	72	63	312
7	Profit after Interest but before exceptional item	4,501	4,827	11,865	14,927	20,795
8	Exceptional item (Refer Note 9)	-	-	229	-	-
9	Profit before tax	4,501	4,827	12,094	14,927	20,795
10	Tax expense					
	- Current year	1,248	891	2,989	2,983	4,143
	- Earlier years	-	-	-	-	453
	- MAT credit	(473)	-	(904)	-	(1,099)
	- Fringe Benefit Tax	-	-	-	-	(1)
	- Deferred Tax	(10)	398	217	1,039	1,555
11	Net Profit after tax before Minority Interest and Share of Associate	3,736	3,538	9,792	10,905	15,744
12	Minority Interest	(6)	-	(5)	48	48
13	Share of (Loss)/Profit from Associate Company	(46)	253	484	997	1,292
14	Net Profit for the period	3,684	3,791	10,271	11,950	17,084
15	Paid-up equity share capital (Face value of Rs.5 per share)	5,564	2,772	5,564	2,772	2,775
16	Reserves excluding revaluation reserves					87,859
17	EPS - Basic* in Rupees (not annualised)	3.31	3.43	9.24	10.81	15.44
	EPS - Diluted* in Rupees (not annualised)	3.27	3.42	9.12	10.76	15.38
18	Aggregate of Public Shareholding					
	Number of Shares	85,663,493	42,569,029	85,663,493	42,569,029	42,639,544
	Percentage of Shareholding	76.99%	76.78%	76.99%	76.78%	76.83%
19	Promoters and Promoter Group Shareholding					
a)	Pledged / Encumbered					
	- Number of Shares	510,146	331,941	510,146	331,941	286,900
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	1.99%	2.58%	1.99%	2.58%	2.23%
	- Percentage of Shares (as a % of the total share capital of the Company)	0.46%	0.60%	0.46%	0.60%	0.52%
b)	Non-encumbered					
	- Number of Shares	25,099,080	12,539,861	25,099,080	12,539,861	12,573,080
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	98.01%	97.42%	98.01%	97.42%	97.77%
	- Percentage of Shares (as a % of the total share capital of the Company)	22.55%	22.62%	22.55%	22.62%	22.65%

*On par value of Rs. 5 per share and adjusted for issue of bonus shares in the ratio of 1 share for every 1 share held.

Notes

- The consolidated financial results were approved by the Board of Directors at their meeting held on January 19, 2011.
- The consolidated financial results have been subjected to Limited Review by Statutory Auditors.
- The financial results are prepared in accordance with the principles and procedures for the preparation and presentation of consolidated financial by Rule 3 of the Companies (Accounting Standards) Rules, 2006, statements as set out in the Accounting Standard on Consolidated Financial Statements mandated the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India.
- The consolidated financial results represent those of Infotech Enterprises Limited and its wholly owned subsidiaries, viz. M/s Infotech Enterprises Europe Limited, UK, Infotech Enterprises America Inc., USA, Infotech Enterprises GmbH, Germany, TTM Institute of Information Technology Pvt. Ltd., India, Infotech Enterprises Japan KK, Japan, Infotech Enterprises Information Technology Services Pvt Ltd., India, partly-owned subsidiary Infotech Geospatial (India) Ltd., India, Associate Company, viz. Infotech Aerospace Services Inc., Puerto Rico and Joint Venture, viz. Infotech HAL Ltd., India.
- Clause 41 of the Listing Agreement requires companies to either publish standalone or consolidated financial results in the newspapers and this choice is to be exercised during the first quarter of the financial year. The Company, in compliance with this provision, has opted to publish the consolidated financial results. The standalone financial results will, however, be made available to the Stock Exchanges where the Company's shares are listed and will also be posted on the Company's website.
- As recommended by the Board of Directors of the Company at their meeting held on April 21, 2010 and with the consequent approval of the shareholders, the Company has allotted 5,55,52,348 equity shares of Rs. 5/- each as bonus shares in the ratio of 1:1. These shares have been admitted for trading by the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited on June 18, 2010. The earnings per share for all periods presented have been adjusted accordingly.
- With effect from January 15, 2010, Infotech Enterprises Limited through its wholly-owned subsidiary, Infotech Enterprises America Inc., acquired 100% of equity shares in Daxcon Engineering Services Inc., USA. Hence the financial results for the quarters and nine months ended December 31, 2009 and December 31, 2010 are not strictly comparable.
- With effect from August 9, 2010, Infotech Enterprises Limited through its wholly-owned subsidiary, Infotech Enterprises America Inc., acquired 100% of equity shares in Wellco Inc., USA. Hence the financial results for the quarters and nine months ended December 31, 2009 and December 31, 2010 are not strictly comparable.



9. Exceptional item relates to service tax credit availed by the Company for earlier periods.
10. During the year ended March 31, 2010, the provision for income tax for earlier years is towards demands pertaining to Assessment Years 1997-98 to 2006-07.
11. During the quarter, Company has allotted 168,023 equity shares to the associates of the Company under the Infotech Associate Stock Option Plan.
12. Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended December 31, 2010 :
- | Nature of complaints received | Opening balance | Additions | Disposal | Closing balance |
|-------------------------------|-----------------|-----------|----------|-----------------|
| Dividend warrants related | - | 3 | 3 | - |
13. Corresponding previous period's figures have been regrouped / reclassified wherever necessary.

CONSOLIDATED SEGMENT INFORMATION

(Rupees in Lakhs)

	Quarter Ended 31-Dec-10 (Unaudited)	Quarter Ended 31-Dec-09 (Unaudited)	Nine months Ended 31-Dec-10 (Unaudited)	Nine months Ended 31-Dec-09 (Unaudited)	Year Ended 31-Mar-10 (Audited)
Segment Revenue					
Network and Content Engineering	10,218	8,456	26,701	25,537	33,498
Engineering, Manufacturing, Industrial Products	21,197	15,507	59,569	45,546	62,044
Total	31,415	23,963	86,270	71,083	95,542
Less : Inter segment Revenue	33	57	52	177	230
Revenue from Operations	31,382	23,906	86,218	70,906	95,312
Segment Results					
Profit before Depreciation, Tax and Financial Expenses					
Network and Content Engineering	2,038	2,761	5,775	8,718	11,169
Engineering, Manufacturing, Industrial Products	4,482	3,598	12,824	9,939	13,708
Total	6,520	6,359	18,599	18,657	24,877
Less : Financial Expenses	17	15	72	63	312
Depreciation and Amortisation	1,223	1,111	3,633	3,428	4,357
Other un-allocable expenditure (net of un-allocable income)	779	406	2,800	239	(587)
Profit Before Taxation	4,501	4,827	12,094	14,927	20,795

Notes

Segmental Capital Employed

Fixed assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and support services are used interchangeably between segments. Accordingly, no reporting relating to total segment assets and liabilities have been made.

The Company re-named its Utilities, Telecom & Government Vertical (UTG) as Network and Content Engineering (N&CE).

There has been no reclassification on account of change in name.

Place : Hyderabad

Date : January 19, 2011

For and on behalf of Board of Directors


B.V.R. MOHAN REDDY
Chairman & Managing Director

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2010

(Rupees in Lakhs)

Sl. No	Particulars	Quarter Ended 31-Dec-10 (Unaudited)	Quarter Ended 31-Dec-09 (Unaudited)	Nine months Ended 31-Dec-10 (Unaudited)	Nine months Ended 31-Dec-09 (Unaudited)	Year Ended 31-Mar-10 (Audited)
1	Net Sales	16,806	14,001	46,873	42,651	56,180
2	Expenditure					
a	Employees Cost	8,405	6,862	23,945	20,791	27,868
b	Travel Expenses	1,370	1,182	4,086	3,134	4,281
c	Professional Charges	1,076	746	3,041	2,164	2,941
d	Depreciation and Amortisation	929	985	2,793	3,060	4,071
e	Other expenditure	2,095	1,590	5,892	4,909	6,105
f	Total	13,875	11,365	39,757	34,058	45,266
3	Profit from Operations before Other Income and Interest expense	2,931	2,636	7,116	8,593	10,914
4	Other Income	1,115	839	2,398	2,965	4,615
5	Profit before Interest and exceptional items	4,046	3,475	9,514	11,558	15,529
6	Interest expense	7	8	25	34	47
7	Profit after Interest but before exceptional items	4,039	3,467	9,489	11,524	15,482
8	Exceptional item (Refer Note 6)	-	-	229	-	-
9	Profit before tax	4,039	3,467	9,718	11,524	15,482
10	Tax expense	793	325	1,826	1,270	1,903
	- Current Year	-	-	-	-	453
	- Earlier Year	-	-	-	-	-
	- MAT credit	(473)	-	(904)	-	(1,099)
	- Fringe Benefit Tax	-	-	-	-	-
	- Deferred Tax	(10)	398	217	1,039	1,549
11	Net Profit after tax	3,729	2,744	8,579	9,215	12,676
12	Paid-up equity share capital (Face value of Rs.5 per share)	5,564	2,772	5,564	2,772	77,608
13	Reserves excluding revaluation reserves					
14	EPS - Basic* in Rupees (not annualised)	3.36	2.48	7.72	8.33	11.45
	EPS - Diluted* in Rupees (not annualised)	3.31	2.47	7.62	8.30	11.41
15	Aggregate of Public Shareholding					
	Number of Shares	85,663,493	42,569,029	85,663,493	42,569,029	42,639,544
	Percentage of Shareholding	76.99%	76.78%	76.99%	76.78%	76.83%
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Notes

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Dividend warrants related	-	-	-	-
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For and on behalf of Board of Directors


B.V.R. MOHAN REDDY
Chairman & Managing Director

Place : Hyderabad
Date : January 19, 2011

Infotech Enterprises Limited

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