

UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2011

(₹ in Lakhs)

Sl. No	Particulars	Quarter Ended 31-Dec-11 (Unaudited)	Quarter Ended 30-Sep-11 (Unaudited)	Quarter Ended 31-Dec-10 (Unaudited)	Nine Months Ended 31-Dec-11 (Unaudited)	Nine Months Ended 31-Dec-10 (Unaudited)	Year Ended 31-Mar-11 (Audited)
1	Net Sales	41,652	37,260	31,382	113,579	86,218	118,801
2	Expenditure						
a	Employees Cost	24,946	23,497	19,674	71,115	54,014	74,657
b	Travel Expenses	2,313	2,215	1,952	6,999	5,461	7,609
c	Purchases - Services/Products	1,230	1,098	1,318	3,400	3,203	4,308
d	Depreciation and Amortisation	1,423	1,230	1,223	3,807	3,633	4,859
e	Other expenditure	4,596	4,592	3,660	13,292	10,187	14,192
f	Total (a to e)	34,508	32,632	27,827	98,613	76,498	105,625
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	7,144	4,628	3,555	14,966	9,720	13,176
4	Other Income	1,442	950	963	3,029	2,217	2,726
5	Profit before Interest and Exceptional item (3+4)	8,586	5,578	4,518	17,995	11,937	15,902
6	Interest expense	28	49	17	101	72	154
7	Profit after Interest but before Exceptional Item (5-6)	8,558	5,529	4,501	17,894	11,865	15,748
8	Exceptional Items (Refer Note No.10)	(3,751)	(1,088)	-	(4,839)	229	229
9	Profit from Ordinary Activities before tax (7+8)	4,807	4,441	4,501	13,055	12,094	15,977
10	Tax expense						
	- Current year	2,671	1,940	1,248	5,957	2,989	3,879
	- Earlier years (Refer Note No. 11)	-	-	-	-	-	3
	- MAT credit	-	-	(473)	-	(904)	(1,247)
	- Deferred Tax	(956)	(405)	(10)	(1,440)	217	63
11	Net Profit from Ordinary Activities after tax (9-10)	3,092	2,906	3,736	8,538	9,792	13,279
12	Extraordinary Item	-	-	-	-	-	-
13	Net Profit after Extraordinary item (11-12)	3,092	2,906	3,736	8,538	9,792	13,279
14	Minority Interest	7	(5)	(6)	-	(5)	(10)
15	Share of Profit from Associate Company	297	173	(46)	616	484	700
16	Net Profit for the period (13+14+15)	3,396	3,074	3,684	9,154	10,271	13,969
17	Paid-up equity share capital/ Face Value ₹ 5 per share)	5,570	5,570	5,564	5,570	5,564	5,564
18	Reserves excluding revaluation reserves						97,367
19	Earning Per Share(Face Value of ₹ 5 per share)(not annualised)						
a)	Basic	3.05	2.76	3.31	8.22	9.24	12.56
b)	Diluted	3.05	2.76	3.27	8.22	9.12	12.54
20	Public Shareholding						
a)	Number of Shares	85,913,770	85,833,706	85,663,493	85,913,770	85,663,493	85,669,043
b)	Percentage of shareholding	77.12%	77.05%	76.99%	77.12%	76.99%	76.99%
21	Promoters and Promoter Group Shareholding						
a)	Pledged / Encumbered						
	- Number of Shares	418,082	470,146	510,146	418,082	510,146	510,146
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	1.64%	1.84%	1.99%	1.64%	1.99%	1.99%
	- Percentage of Shares (as a % of the total share capital of the company)	0.38%	0.42%	0.46%	0.38%	0.46%	0.46%
b)	Non-encumbered						
	- Number of Shares	25,067,280	25,095,280	25,099,080	25,067,280	25,099,080	25,097,080
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	98.36%	98.16%	98.01%	98.36%	98.01%	98.01%
	- Percentage of Shares (as a % of the total share capital of the company)	22.50%	22.53%	22.55%	22.50%	22.55%	22.55%

Notes

- The consolidated financial results were taken on record by the Board of Directors at their meeting held on January 18, 2012. The Statutory Auditors have carried out a limited review of these financial results.
- The unaudited consolidated financials results of Infotech Enterprises Limited (the Company) and its domestic and foreign subsidiaries for the quarter and nine months ended December 31, 2011 have been prepared in accordance with Accounting Standard (AS) 21 on Consolidated Financials Statements. All material intra-group balances, intra-group transactions and resulting unrealised profits have been eliminated.
- 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, Infotech Enterprises Japan KK, Japan, Infotech Enterprises Information Technology Services Pvt Ltd, Infotech Geospatial (India) Ltd., Associate Company, viz. Infotech Aerospace Services Inc. Puerto Rico; and Joint Venture, viz. Infotech HAL Ltd.
- 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.
- 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. Subsequently Daxcon Engineering Services Inc. was amalgamated with Infotech Enterprises America Inc. with effect from January 1, 2011. Hence the financial results for the quarters and nine months ended December 31, 2011 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 Wellsco Inc., USA. Hence the financial results for the nine months ended December 31, 2011 and December 31, 2010 are not strictly comparable.
- The Board of Directors of the Company at its meeting held on October 14, 2010 approved the merger of the Company's wholly owned subsidiary TTM Institute of Information Technology Private Limited, India effective April 1, 2011. Consequent to the filing of final certified order dated March 21, 2011 of the High Court Jurisdiction Andhra Pradesh with the Registrar of Companies, Andhra Pradesh, the scheme of Amalgamation between TTM Institute of Information Technology Private Limited, India and the Company became effective from the appointed date of April 1, 2011. The results of the above reported periods have been recast to reflect the effect of the merger.
- During the quarter, the Company acquired the balance 26% shareholding in Infotech Geospatial (India) Limited (IGIL) on November 1, 2011. Pursuant to this acquisition, IGIL became a wholly-owned subsidiary of the Company, effective that date.

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Infotech Enterprises Limited

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9. The Board at the meeting held on October 27, 2011 declared an interim dividend of 25% at ₹ 1.25 per share absorbing a sum of ₹ 1618 lakhs including dividend distribution tax for the year 2011-12.
10. Exceptional item for the quarters ended December 31, 2011 and September 30, 2011 and nine months ended December 31, 2011 relates to mark to market losses on forward contracts in accordance with Accounting Standard - 1 "Disclosure of Accounting Policies" and exceptional item for nine months ended December 31, 2010 relates to service tax credit availed for earlier periods.
11. Provision for tax for earlier years is towards demands pertaining to Assessment Years 1997-98 to 2006-07.
12. During the nine months, Company has allotted 122,863 equity shares to the associates of the Company under the Infotech Associate Stock Option Plan.
13. Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended December 31, 2011 :  
There were twelve investor complaints received during the quarter, all of which have been resolved by December 31, 2011. There were no complaints pending at the beginning of the quarter and at the end of the quarter.
14. Corresponding previous period's figures have been regrouped / reclassified wherever necessary.

### CONSOLIDATED SEGMENT INFORMATION

(₹ in Lakhs)

	Quarter Ended 31-Dec-11 (Unaudited)	Quarter Ended 30-Sep-11 (Unaudited)	Quarter Ended 31-Dec-10 (Unaudited)	Nine Months Ended 31-Dec-11 (Unaudited)	Nine Months Ended 31-Dec-10 (Unaudited)	Year Ended 31-Mar-11 (Audited)
<b>Segment Revenue</b>						
Network & Content Engineering	12,730	11,484	10,218	34,840	26,701	36,775
Engineering, Manufacturing, Industrial Products	28,925	25,785	21,197	78,753	59,569	82,105
<b>Total</b>	<b>41,655</b>	<b>37,269</b>	<b>31,415</b>	<b>113,593</b>	<b>86,270</b>	<b>118,880</b>
Less : Inter segment Revenue	3	9	33	14	52	79
<b>Revenue from Operations</b>	<b>41,652</b>	<b>37,260</b>	<b>31,382</b>	<b>113,579</b>	<b>86,218</b>	<b>118,801</b>
<b>Segment Results</b>						
<b>Profit before Depreciation, Tax and Financial Expenses</b>						
Network & Content Engineering	2,372	1,670	1,344	5,221	3,678	4,789
Engineering, Manufacturing, Industrial Products	6,193	4,208	3,406	13,572	9,651	13,142
<b>Total</b>	<b>8,565</b>	<b>5,878</b>	<b>4,750</b>	<b>18,793</b>	<b>13,329</b>	<b>17,931</b>
Less : Financial Expenses	28	49	17	101	72	154
Depreciation and Amortisation	1,423	1,230	1,223	3,807	3,633	4,859
Other un-allocable expenditure (net of un-allocable income)	2,307	158	(991)	1,830	(2,470)	(3,059)
<b>Profit Before Taxation</b>	<b>4,807</b>	<b>4,441</b>	<b>4,501</b>	<b>13,055</b>	<b>12,094</b>	<b>15,977</b>

#### 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 & Content Engineering (N&CE). There has been no reclassification on account of change in name.

for INFOTECH ENTERPRISES LIMITED

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

Place : Hyderabad  
Date : January 18, 2012



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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2011

(₹ in Lakhs)

Sl. No	Particulars	Quarter Ended 31-Dec-11 (Unaudited)	Quarter Ended 30-Sep-11 (Unaudited)	Quarter Ended 31-Dec-10 (Unaudited)	Nine Months Ended 31-Dec-11 (Unaudited)	Nine Months Ended 31-Dec-10 (Unaudited)	Year Ended 31-Mar-11 (Audited)
1	Net Sales	23,435	20,654	16,806	63,263	46,873	64,767
2	Expenditure						
a	Employees Cost	10,736	10,727	8,405	31,328	23,945	33,060
b	Travel Expenses	1,701	1,590	1,370	5,131	4,086	5,638
c	Professional Charges	1,671	1,530	1,076	4,488	3,041	4,179
d	Depreciation and Amortisation	1,055	1,025	929	3,036	2,793	3,755
e	Other expenditure	2,523	2,331	2,095	7,213	5,892	8,166
f	Total (a to e)	17,686	17,203	13,875	51,196	39,757	54,798
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	5,749	3,451	2,931	12,067	7,116	9,969
4	Other Income	1,253	654	1,115	2,580	2,398	2,976
5	Profit before Interest and Exceptional items (3+4)	7,002	4,105	4,046	14,647	9,514	12,945
6	Interest expense	16	27	7	53	25	30
7	Profit after Interest but before Exceptional Items (5-6)	6,986	4,078	4,039	14,594	9,489	12,915
8	Exceptional Items (Refer Note No.6)	(3,751)	(1,088)	-	(4,839)	229	229
9	Profit from Ordinary Activities before tax (7+8)	3,235	2,990	4,039	9,755	9,718	13,144
10	Tax expense						
	- Current year	2,252	1,480	793	4,891	1,826	2,502
	- Earlier years (Refer Note No. 7)	-	-	-	-	-	3
	- MAT credit	-	-	(473)	-	(904)	(1,247)
	- Deferred Tax	(1,189)	(499)	(10)	(1,735)	217	98
11	Net Profit from Ordinary Activities after tax (9-10)	2,172	2,009	3,729	6,599	8,579	11,788
12	Extraordinary Item	-	-	-	-	-	-
13	Net Profit after Extraordinary item (11-12)	2,172	2,009	3,729	6,599	8,579	11,788
14	Paid-up equity share capital (Face Value ₹ 5 per share)	5,570	5,570	5,564	5,570	5,564	5,564
15	Reserves excluding revaluation reserves as per balance sheet of previous accounting year						85,231
16	Earning Per Share/Face Value of ₹ 5 per share(not annualised)						
a)	Basic	1.95	1.80	3.36	5.92	7.72	10.60
b)	Diluted	1.95	1.80	3.31	5.92	7.62	10.58
17	Public Shareholding						
a)	Number of Shares	85,913,770	85,833,706	85,663,493	85,913,770	85,663,493	85,669,043
b)	Percentage of shareholding	77.12%	77.05%	76.99%	77.12%	76.99%	76.99%
18	Promoters and Promoter Group Shareholding						
a)	Pledged / Encumbered						
	- Number of Shares	418,082	470,146	510,146	418,082	510,146	510,146
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	1.64%	1.84%	1.99%	1.64%	1.99%	1.99%
	- Percentage of Shares (as a % of the total share capital of the company)	0.38%	0.42%	0.46%	0.38%	0.46%	0.46%
b)	Non-encumbered						
	- Number of Shares	25,067,280	25,095,280	25,099,080	25,067,280	25,099,080	25,097,080
	- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	98.36%	98.16%	98.01%	98.36%	98.01%	98.01%
	- Percentage of Shares (as a % of the total share capital of the company)	22.50%	22.53%	22.55%	22.50%	22.55%	22.55%

Notes

- The standalone financial results were taken on record by the Board of Directors at their meeting held on January 18, 2012. The Statutory Auditors have carried out a limited review of these financial results.
- During the nine months ended December 31, 2011, Company has allotted 122,863 equity shares to the associates of the Company under the Infotech Associate Stock Option Plan
- The Board of Directors of the Company at its meeting held on October 14, 2010 approved the merger of the Company's wholly owned subsidiary TTM Institute of Information Technology Private Limited, India effective April 1, 2011. Consequent to the filing of final certified order dated March 21, 2011 of the High Court Jurisdiction Andhra Pradesh with the Registrar of Companies, Andhra Pradesh, the scheme of Amalgamation between TTM Institute of Information Technology Private Limited, India and the Company became effective from the appointed date of April 1, 2011. The results of the above reported periods have been recast to reflect the effect of the merger.
- The Board at the meeting held on October 27, 2011 declared an interim dividend of 25% at ₹ 1.25 per share absorbing a sum of ₹ 1618 lakhs including dividend distribution tax for the year 2011-12.
- Information on investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended December 31, 2011 :  
There were twelve investor complaints received during the quarter, all of which have been resolved by December 31, 2011. There were no complaints pending at the beginning of the quarter and at the end of the quarter.
- Exceptional item for the quarters ended December 31, 2011 and September 30, 2011 and nine months ended December 31, 2011 relates to mark to market losses on forward contracts in accordance with Accounting Standard - 1 "Disclosure of Accounting Policies" and exceptional item for nine months ended December 31, 2010 relates to service tax credit availed for earlier periods.
- Provision for tax for earlier years is towards demands pertaining to Assessment Years 1997-98 to 2006-07.
- Corresponding previous period's figures have been regrouped / reclassified wherever necessary.

Place : Hyderabad  
Date : January 18, 2012



for INFOTECH ENTERPRISES LIMITED

*B.V.R. Mohan Reddy*  
B.V.R. MOHAN REDDY  
Chairman & Managing Director

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**AUDITORS' REPORT  
TO THE BOARD OF DIRECTORS OF  
INFOTECH ENTERPRISES LIMITED  
On Limited Review of Unaudited Standalone Financial Results**

We have reviewed the accompanying statement of Unaudited Financial Results ("the Statement") of **INFOTECH ENTERPRISES LIMITED** ("the Company") for the Quarter and Nine months ended December 31, 2011 and the related notes. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors on January 18, 2012. Our responsibility is to issue a report on the Statement based on our review.

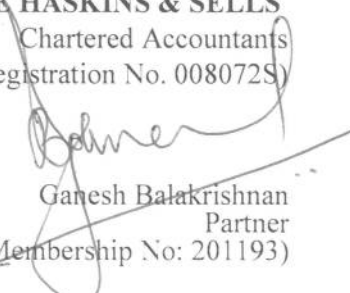
We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges including the manner in which it is to be disclosed, or that it contains any material misstatement.

Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Registrars.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Registration No. 008072S)

  
Ganesh Balakrishnan  
Partner  
(Membership No: 201193)

# Deloitte Haskins & Sells

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## AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF INFOTECH ENTERPRISES LIMITED

1. We have reviewed the accompanying statement of Unaudited Consolidated Financial Results ("the Statement") of **INFOTECH ENTERPRISES LIMITED** ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") and its share of profit of the associate company for the Quarter and Nine months ended December 31, 2011. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors on January 18, 2012. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an opinion.
3. The Statement reflects the Group's share of Revenues of ₹ 32,726 lakhs and Profit after Tax of ₹ 998 lakhs relating to the subsidiaries and a joint venture whose results have been reviewed by other auditors and whose reports have been considered by us in submitting our report.
4. The financial results of an associate which reflect the Company's net share of Profit after Tax of ₹ 616 lakhs have not been reviewed by their auditors.
5. Based on our review, read with our comments in paragraph 3 above and subject to our comments in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

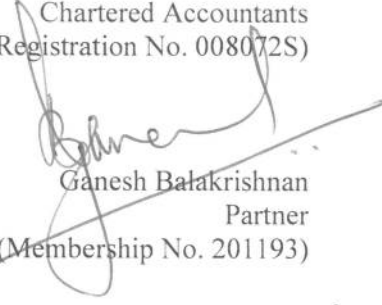
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# Deloitte Haskins & Sells

6. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Registrars.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Registration No. 008072S)



Ganesh Balakrishnan  
Partner  
(Membership No. 201193)

SECUNDERABAD, January 18, 2012