

UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2011				Rs. in Lakhs	
S. No.	Particulars	Quarter Ended March 31		Year Ended March 31	
		2011 (Unaudited)	2010 (Audited)	2011 (Unaudited)	2010 (Audited)
1	(a) Net Sales/ Income from Operations				
	- Software Services	27,754.68	40,001.24	104,819.64	133,848.25
	- Sale of Telecom Products / Services	27,898.27	44,777.91	51,168.87	56,621.99
	(b) Other Operating Income				
	Profit/(Loss) on Foreign Exchange Fluctuation (net)	302.11	(12,323.13)	(2,979.05)	(13,512.00)
	Total Operating Income	55,955.06	72,456.02	153,009.46	176,958.24
2	Expenditure				
	a. Consumption of Materials	27,435.69	42,481.87	49,523.15	50,908.99
	b. Software Development Expenditure	23,619.62	28,534.18	85,157.04	103,197.87
	c. Employees Cost	2,318.92	4,115.01	10,520.74	11,478.90
	d. Depreciation/Amortization	76.05	251.07	886.12	682.38
	e. Other Expenditure	3,332.48	1,784.99	9,214.61	8,699.92
	Total Expenditure	56,782.75	77,167.13	155,301.67	174,968.06
3	Profit from Operations Before Other Income and Interest	(827.69)	(4,711.11)	(2,292.21)	1,990.18
4	Other Income	638.78	569.46	3,168.18	962.28
5	Profit Before Interest and Prior Period Items	(188.92)	(4,141.65)	875.98	2,952.46
6	Interest Expenses	538.39	474.73	2,253.69	2,143.35
7	Prior Period Items	(2,629.57)	179.37	(2,913.53)	154.19
8	Profit from Ordinary Activities Before Tax	1,902.26	(4,795.75)	1,535.82	654.92
9	Tax Expense				
	Provision for Tax	287.97	105.67	287.97	105.67
	Tax Adjustment for Earlier Period	35.93	4.69	-	4.69
10	Net Profit from Ordinary Activities After Tax	1,578.36	(4,680.79)	1,247.85	544.56
11	Paid-up Equity Share Capital (Face Value of Rs.10/-)	1,807.70	1,807.70	1,807.70	1,807.70
12	Reserves Excluding Revaluation Reserves	-	-	37,102.68	38,462.94
13	Earnings Per Share (EPS) (Not Annualised)				
	- Basic (Rs.)	8.73	(25.89)	6.90	3.01
	- Diluted (Rs.)	5.68	(16.86)	4.49	1.96
14	Dividend Per Share of Rs.10/- each	-	-	-	-
15	Public Shareholding:				
	- Number of Shares	13,309,144	13,309,144	13,309,144	13,309,144
	- Percentage of Shareholding	73.62	73.62	73.62	73.62
16	Promoters and Promoter Group share Holding				
	a) Pledged / Encumbered				
	- Number of Shares	3357555	3357555	3357555	3357555
	- Percentage of Shares (As a % of the total share holding of Promoter & Promoter Group).	70.42	70.42	70.42	70.42
	- Percentage of shares (As a % of the total share Capital of the Company).	18.57	18.57	18.57	18.57
	b) Non - Encumbered				
	- Number of Shares	1410301	1410301	1410301	1410301
	- Percentage of Shares (As a % of the total share holding of Promoter & Promoter Group)	29.58	29.58	29.58	29.58
	- Percentage of Shares (As a % of the total share capital of the Company).	7.80	7.80	7.80	7.80

Notes:

- The Company has Two Segments Viz, Software and Telecom Products / Services.
- Previous figures are regrouped and reclassified wherever necessary.
- The above Un-Audited results were reviewed by the Audit committee along with the Limited Review Report of the Statutory Auditor and taken on record by the Board of Directors of the company at its adjourned meeting held on May 28th, 2011.
- There were no Investor Complaints pending or unattended for redressal at the beginning and end of the Quarter. Four (04) Investor complaints were received during the Quarter and were duly attended / disposed off.
- The Observations made by the Auditor in the Limited Review Report for the Quarter ended March, 2011 is as under along with management responses in *italics*:

Observations:

- The Company is engaged in litigation with M/s Deutsche Bank in connection with derivative losses payable and

has not provided for any interest payable in respect of outstanding to them. *Since the liability is disputed and the matter is in litigation, the company has not provided any interest.*

- Unbilled Revenue includes amounts outstanding in respect of related parties Rs. 2837.05 Lakhs. *These are part of regular transactions in the course of business and are reviewed on an ongoing basis.*

- The Company has advanced amounts of Rs 28.48 Lakhs and Rs.18.45 Lakhs to its employees and others that need to be recovered/adjusted, we are unable to comment on their recoverability and effect on current quarter's profits. *These advances are in the normal course of business and are reviewed regularly.*

- Prior period Items include a sum of Rs.2612.23 Lakhs representing write-back of losses suffered by the Company in accounting year 2009-10 on sale of telecom products; which is assumed by a related party as per its agreement with the company. *As per the agreement with the company, the related party agreed to assume the loss.*

Un-Audited Statement of Assets and Liabilities Rs. in Lakhs

(All amounts in Rupees Lakhs except as otherwise stated)

	As At March 31, 2011 (Unaudited)	As At March 31, 2010 (Audited)
I. SOURCES OF FUNDS		
Shareholders' Funds		
a) Capital	1,808	1,808
b) Reserves and Surplus	37,103	38,463
	38,910	40,271
Loan Funds		
a) Secured Loans	41,774	41,199
b) Unsecured Loans	224	40
Deferred Tax Liabilities (net)	174	174
TOTAL	81,083	81,684
II. APPLICATION OF FUNDS		
Fixed Assets		
a) Gross Block	12,359	5,694
b) Less : Accumulated Depreciation	4,538	3,652
c) Net Block	7,820	2,041
d) Capital Work-in-Progress including Capital Advances	-	6,410
	7,820	8,451
Investments	65	100
Current Assets, Loans and Advances		
a) Inventories	-	-
b) Sundry Debtors	105,440	96,630
c) Cash and Bank Balances	4,915	20,456
d) Other Current Assets	13,581	16,036
e) Loans and Advances	36,041	23,231
	159,976	156,354
Less: Current Liabilities and Provisions		
a) Current Liabilities	86,242	81,993
b) Provisions	537	1,228
	86,779	83,220
Net Current Assets	73,197	73,133
TOTAL	81,083	81,684

Un-Audited Segment Revenue, Results and Capital Employed Rs. in Lakhs

	Quarter Ended March 31		Year Ended March 31	
	2011 (Unaudited)	2010 (Audited)	2011 (Unaudited)	2010 (Audited)
1 Segment Revenue				
a) Software	27,754.68	40,001.24	104,819.64	133,848.25
b) Telecom	27,898.27	44,777.91	51,168.87	56,621.99
c) Unallocated	-	-	-	-
Total	55,652.95	84,779.15	155,988.51	190,470.24
2. Segment Results (Profit before tax and Interest from each segment)				
a) Software	1,916.11	6,172.49	4,285.53	13,589.14
b) Telecom	(132.39)	1,285.34	(685.16)	1,758.84
c) Unallocated	(2,219.91)	(12,741.12)	(2,979.05)	(13,512.00)
Less:- Interest Expenses (net)	2,338.44	487.55	914.50	(1,181.07)
Total	1,902.26	(4,795.74)	1,535.82	654.92
3. Capital Employed (Segment Assets- Segment Liabilities)				
a) Software	(2,661.01)	(2,418.92)	81,116.65	66,244.71
b) Telecom	7,274.25	3,103.67	(5,013.60)	(5,115.82)
c) Unallocated	(3,516.17)	(1,788.83)	(37,192.67)	(20,858.25)
	1,097.07	(1,104.08)	38,910.38	40,270.64