



PRITHVI Prithvi Information Solutions Limited

Prithvi House, # 2-56/2/19, Khanamet, Madhapur, Hyderabad – 81

Tel: +091 - 040 – 44856019 Fax: +091 - 040 – 44856021

E-mail: info@prithvisolutions.com Website: www.prithvisolutions.com

UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED June 30, 2010

Rs. in Lakhs

S.No.	Particulars	Quarter Ended June 30		Year Ended March 31
		2010 (Unaudited)	2009 (Unaudited)	2010 (Unaudited)
1	(a) Net Sales/ Income from Operations			
	- Software Services	25,246.59	28,646.64	127,270.10
	- Sale of Telecom Products / Services	14,714.74	10,192.11	64,465.65
	(b) Other Operating Income			
	Loss on Foreign Exchange Fluctuation	472.64	1,234.68	(4,600.54)
	Total Operating Income	40,433.97	40,073.43	187,135.21
2	Expenditure			
	a. Consumption of Materials	14,266.19	8,427.12	60,376.10
	b. Software Development Expenditure	20,916.86	24,846.59	103,004.59
	c. Employees Cost	2,840.30	2,718.99	11,834.41
	d. Depreciation/Amortization	248.27	157.66	861.95
	e. Other Expenditure	1,090.72	1,569.55	9,136.75
	Total Expenditure	39,362.33	37,719.91	185,213.80
3	Profit from Operations Before Other Income and Interest	1,071.65	2,353.52	1,921.41
4	Other Income	244.73	204.92	978.39
5	Profit Before Interest and Prior Period Items	1,316.38	2,558.44	2,899.81
6	Interest Expenses	474.35	569.74	2,446.63
7	Prior Period Items	1.50	-	(44.15)
8	Profit from Ordinary Activities Before Tax	840.53	1,988.69	497.33
9	Tax Expense	-	225.32	74.65
	Provision for Tax	-	-	-
	Tax Adjustment for Earlier Period	-	-	4.69
10	Net Profit from Ordinary Activities After Tax	840.53	1,763.37	417.99
11	Paid-up Equity Share Capital (Face Value of Rs.10/-)	1,807.70	1,807.70	1,807.70
12	Reserves Excluding Revaluation Reserves			38,405.16
13	Earnings Per Share (EPS) (Not Annualised)			
	- Basic (Rs.)	4.65	9.75	2.31
	- Diluted (Rs.)	4.41	9.26	2.19
14	Dividend Per Share of Rs.10/- each	-	-	-
15	Public Shareholding:			
	- Number of Shares	13,309,144	12,176,789	13,309,144
	- Percentage of Shareholding	73.62	67.36	73.62
16	Promoters and Promoter Group share Holding			
	a) Pledged / Encumbered			
	- Number of Shares	3,357,555	4,489,910	3,357,555
	- Percentage of Shares (As a % of the total share holding of Promoter & Promoter Group).	70.42	76.10	70.42
	- Percentage of shares (As a % of the total share Capital of the Company).	18.57	24.84	18.57
	b) Non - Encumbered			
	- Number of Shares	1,410,301	1,410,301	1,410,301
	- Percentage of Shares (As a % of the total share holding of Promoter & Promoter Group)	29.58	23.90	29.58
	- Percentage of Shares (As a % of the total share capital of the Company).	7.80	7.80	7.80

Un-Audited Segment Revenue, Results and Capital Employed

Rs. in Lakhs

	Quarter Ended June 30	
	2010 (Unaudited)	2009 (Unaudited)
1	Segment Revenue	
	a) Software	25,246.59
	b) Telecom	14,714.74
	c) Unallocated	-
	Total	39,961.33
2.	Segment Results (Profit before tax and Interest from each segment)	
	a) Software	834.56
	b) Telecom	(237.05)
	c) Unallocated	472.64
	Less:- Interest Expenses (net)	(229.62)
	Total	840.53
3.	Capital Employed (Segment Assets- Segment Liabilities)	
	a) Software	64,120.64
	b) Telecom	(11,647.82)
	c) Unallocated	(18,234.09)
	Total	34,238.73

Notes:

- The Company is engaged in the business of Software Services, Telecom Products & Services.
- Previous figures are regrouped and reclassified wherever necessary.
- The above Unaudited results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on July 25, 2010.
- There were no Investor Complaints pending or Unattended for redressal at the beginning and end of the Quarter. One (1) Investor complaint was received during the Quarter and was duly attended / disposed off.
- The Creation of Deferred Tax Asset will be reviewed at the end of the Year.
- The observations made by auditors in the Limited Review Report for the quarter ended March 31, 2010 are as under and the company's replies given in bold:
 - Out of Rs.674.31 lakhs, company has provided Rs.440 lakhs towards diminution in the value of the investment during the previous financial year. The balance of Rs.234.31 lakhs, the company is in the process of recovering : **Rs.234.31 lakhs have been recovered.**
 - As the Company is engaged in litigation with M/s. Deutsche Bank disputing the debt, Company has not provided for interest payable. No interest has been provided on unpaid crystallized losses of Rs.7938.65 lakhs on derivatives as losses are disputed and under litigation/settlement under compromise : **The matter is pending before DRT, Company has done factoring and all the receivables under factoring have been transferred to DB duly insured. As the transfer in property has taken place, that is the ownership of factored receivables have been transferred to DB, it is DB who is owner and take necessary action in this regard. As such no interest is provided.**
 - Turnover from Software was erroneously understated by Rs.7938.65 lakhs through netting of derivative losses with turnover instead of showing the same as part of other income. This will not impact the working results as a whole : **Rectified.**
 - Turnover from Telecom products included sales under execution of Rs.4725.50 lakhs accordingly material consumed is reduced by 4678.25 lakhs and the profits from Telecom Products was overstated by Rs.47.25 lakhs. Provision for MAT amounting to Rs.66.90 lakhs need to be made bringing down the Profits after Tax to Rs.378.49 lakhs for the year with EPS of Rs.2.09 for the year and loss of Rs.5072.18 lakhs for the Quarter ending 31st March, 2010 with EPS of Rs.(28.06) : **Necessary rectifications have been carried out.**
 - In the Statement "Reserves Excluding Revaluation Reserves" are erroneously overstated by Rs.9625.60 lakhs and they should be read as Rs.38405.16 lakhs : **Rectified.**

By Order of the Board

Sd/-

V. SATISH KUMAR
Managing Director

Place : Hyderabad

Date : July 25, 2010