

DANLAW TECHNOLOGIES INDIA LIMITED
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2005

Sl.	Particulars	Quarter ended				Year ended
		30-09-2005		30-09-2004		31/03/2005
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Sales/Income from operations	184.47	157.99	355.33	452.70	789.70
2.	Other Income	14.31	17.17	27.11	47.99	86.77
3.	Total Income	198.78	175.16	382.44	500.69	876.47
4.	a) Direct cost of sales	119.77	105.56	229.08	215.46	437.73
	b) Cost of software packages sold	0.00	0.00	0.00	152.97	152.97
	c) Business Development Expenses	2.74	2.86	3.39	4.13	6.77
	d) General & Administrative Expenses	47.10	43.72	89.44	84.98	176.47
5.	Total Expenditure	169.61	152.14	321.91	457.54	773.94
6.	Profit/(Loss) before Depreciation, Interest & Tax	29.17	23.02	60.53	43.15	102.53
7.	Depreciation	12.94	13.01	25.86	25.84	52.18
8.	Profit/(Loss) before tax	16.23	10.01	34.67	17.31	50.35
9.	Less: Current Year Income Tax	0.90	0.00	0.90	0.00	2.20
10.	Add: Deferred tax	(5.37)	(3.66)	(11.58)	(6.33)	(14.85)
11.	Net Profit/(Loss) after tax	9.96	6.35	22.19	10.98	33.30
12.	Paid-up equity share capital	372.03	322.03	327.03	322.03	322.03
13.	Reserves excluding revaluation reserves					2465.65
14.	Basic and diluted EPS Rs.	0.30	0.20	0.68	0.34	1.03
15.	Aggregate of Non-promoter Shareholding -					
	- Number of shares	1884508	1455049	1884508	1455049	1384508
	- Percentage of shareholding	50.66%	45.18%	50.66%	45.18%	42.99%

SEGMENT REPORT		Quarter ended				Year ended
Particulars		30-09-2005		30-09-2004		31/03/2005
1.	Segment revenue					
	Sales/Income from Operations	143.01	147.45	288.58	421.29	690.24
	Others	41.46	10.54	66.75	31.41	99.46
	Total revenue	184.47	157.99	355.33	452.70	789.70
2.	Segment profit/(loss) before tax & interest:					
	Software Operations	21.31	10.76	43.48	4.20	40.83
	Others	0.00	0.00	0.00	0.00	0.00
		21.31	10.76	43.48	4.20	40.83
	Less: Other unallocable income net off unallocable expenditure	(5.08)	(0.75)	(8.81)	13.11	9.52
	Less: Current Year Income Tax	0.90	0.00	0.90	0.00	2.20
	Add: Deferred tax	(5.37)	(3.66)	(11.58)	(6.33)	(14.85)
	Profit/(Loss) after tax	9.96	6.35	22.19	10.98	33.30
3.	Capital Employed	2146.13	2019.57	2146.13	2019.57	1888.53

Unaudited Consolidated Financial Results for the quarter ended September 30, 2005
(in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India)

Sl. No.	Particulars	Quarter ended				Year ended
		30-09-2005		30-09-2004		31/03/2005
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Sales/Income from operations	259.20	256.46	498.23	614.60	1145.14
2.	Other Income	14.31	17.17	27.11	47.99	86.77
3.	Total Income	273.51	273.63	525.34	662.59	1231.91
4.	Total Expenditure	243.91	243.00	458.51	611.54	1110.54
5.	Profit/(Loss) before Depreciation, Interest & Tax	29.60	30.63	66.83	51.05	121.37
6.	Depreciation	12.94	13.01	25.86	25.84	52.18
7.	Profit/(Loss) before Tax	16.66	17.62	40.97	25.21	69.19
8.	Less: Current year income tax	0.90	0.00	0.90	0.00	2.20
9.	Add: Deferred tax	(5.37)	(3.66)	(11.58)	(6.33)	(14.85)
10.	Net Profit/(Loss) after tax	10.39	13.96	28.49	18.88	52.14
11.	Basic and diluted EPS Rs.	0.32	0.43	0.88	0.59	1.62

NOTES:

- The above results were taken on record by the Board of Directors at its meeting held on October 27, 2005.
- Previous year and corresponding quarter figures, wherever necessary, have been regrouped and recast to confirm with those of the current quarter.
- The other income includes return on investments.
- R&D expenses of Rs.93.13 lakhs has been taken as deferred revenue expenditure during the quarter.
- The Board of Directors allotted 500000 equity shares and 500000 convertible warrants on September 21, 2005 through preferential issue. The warrants are convertible within a period of 18 months.
- The Consolidated financial results represent those of Danlaw Technologies India Limited and its wholly owned subsidiary, Danlaw Technologies Inc., USA

By the Order of the Board
for **DANLAW TECHNOLOGIES INDIA LIMITED**

Place: **HYDERABAD**
Date : **27-10-2005**

D S N RAJU
Executive Director



43, Sagar Society, Road No.2, Banjara Hills, Hyderabad-500 034.