

**DANLAW TECHNOLOGIES INDIA LIMITED**  
**Unaudited Consolidated Financial Results for the quarter ended December 31, 2005**

(in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India)

*Rs. in lakhs*

Sl. No.	Particulars	Quarter ended		Nine months ending		Year ended
		31-12-2005	31-12-2004	31-12-2005	31-12-2004	31-03-2005
1.	Sales/Income from operations	278.28	269.22	776.51	727.82	989.14
2.	Software packages	0.00	0.00	0.00	156.00	156.00
3.	Other Income	15.35	24.83	42.46	72.82	86.77
4.	<b>Total Income</b>	<b>293.63</b>	<b>294.05</b>	<b>818.97</b>	<b>956.64</b>	<b>1231.91</b>
5.	Total Expenditure	261.52	258.49	720.03	870.03	1110.54
6.	Profit/(Loss) before Depreciation, Interest & Tax	<b>32.11</b>	<b>35.56</b>	<b>98.94</b>	<b>86.61</b>	<b>121.37</b>
7.	Depreciation	12.49	13.21	38.35	39.05	52.18
8.	<b>Profit/(Loss) before Tax</b>	<b>19.62</b>	<b>22.35</b>	<b>60.59</b>	<b>47.56</b>	<b>69.19</b>
9.	Less: Current year income tax	0.57	0.00	1.47	0.00	2.20
10.	Add: Deferred tax	(6.08)	(4.18)	(17.66)	(10.51)	(14.85)
11.	<b>Net Profit/(Loss) after tax</b>	<b>12.97</b>	<b>18.17</b>	<b>41.46</b>	<b>37.05</b>	<b>52.14</b>
12.	Basic and diluted EPS Rs.	0.35	0.56	1.22	1.15	1.62

**NOTE:**

1. The Consolidated financial results represent those of Danlaw Technologies India Limited and its wholly owned subsidiary, Danlaw Technologies Inc., USA

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2005**

*Rs. in lakhs*

Sl.	Particulars	Quarter ended		Nine months ending		Year ended
		31-12-2005 (Unaudited)	31-12-2004 (Unaudited)	31-12-2005 (Unaudited)	31-12-2004 (Unaudited)	31-03-2005 (Audited)
1.	Sales/Income from operations	198.16	169.09	553.49	465.77	633.70
2.	Software packages	0.00	0.00	0.00	156.00	156.00
3.	Other Income	15.35	24.83	42.46	72.82	86.77
4.	<b>Total Income</b>	<b>213.51</b>	<b>193.92</b>	<b>595.95</b>	<b>694.59</b>	<b>876.47</b>
5.	a) Direct cost of sales	129.97	118.53	359.05	333.99	437.73
	b) Cost of software packages sold	0.00	0.00	0.00	152.97	152.97
	c) Business Development Expenses	1.83	1.17	5.22	5.30	6.77
	d) General & Administrative Expenses	50.12	45.19	139.56	130.16	176.47
6.	<b>Total Expenditure</b>	<b>181.92</b>	<b>164.89</b>	<b>503.83</b>	<b>622.42</b>	<b>773.94</b>
7.	Profit/(Loss) before Depreciation, Interest & Tax	<b>31.59</b>	<b>29.03</b>	<b>92.12</b>	<b>72.17</b>	<b>102.53</b>
8.	Depreciation	12.49	13.21	38.35	39.05	52.18
9.	<b>Profit/(Loss) before tax</b>	<b>19.10</b>	<b>15.82</b>	<b>53.77</b>	<b>33.12</b>	<b>50.35</b>
10.	Less: Current Year Income Tax	0.57	0.00	1.47	0.00	2.20
11.	Add: Deferred tax	(6.08)	(4.18)	(17.66)	(10.51)	(14.85)
12.	<b>Net Profit/(Loss) after tax</b>	<b>12.45</b>	<b>11.64</b>	<b>34.64</b>	<b>22.61</b>	<b>33.30</b>
13.	Paid-up equity share capital	372.03	322.03	372.03	322.03	322.03
14.	Reserves excluding revaluation reserves					2465.65
15.	Basic and diluted EPS Rs.	0.33	0.36	1.02	0.70	1.03
16.	Aggregate of Non-promoter Shareholding -					
	- Number of shares	1884508	1426128	1884508	1426128	1384508
	- Percentage of shareholding	50.66%	44.29%	50.66%	44.29%	42.99%

**SEGMENT REPORT**

*Rs. in lakhs*

Particulars	Quarter ended		Nine months ending		Year ended
	31-12-2005	31-12-2004	31-12-2005	31-12-2004	31-03-2005
1. Segment revenue					
Sales/Income from Operations	157.47	146.82	446.05	568.10	690.24
Others	40.69	22.27	107.44	53.68	99.46
<b>Total revenue</b>	<b>198.16</b>	<b>169.09</b>	<b>553.49</b>	<b>621.78</b>	<b>789.70</b>
2. Segment profit/(loss) before tax & interest:					
Software Operations	23.99	11.87	67.47	16.06	40.83
Others	0.00	0.00	0.00	0.00	0.00
	<b>23.99</b>	<b>11.87</b>	<b>67.47</b>	<b>16.06</b>	<b>40.83</b>
Less: Other unallocable income net off					
unallocable expenditure	(4.89)	3.95	(13.70)	17.06	9.52
Less: Current Year Income Tax	0.57	0.00	1.47	0.00	2.20
Add: Deferred tax	(6.08)	(4.18)	(17.66)	(10.51)	(14.85)
<b>Profit/(Loss) after tax</b>	<b>12.45</b>	<b>11.64</b>	<b>34.64</b>	<b>22.61</b>	<b>33.30</b>
3. <b>Capital Employed</b>	<b>2123.02</b>	<b>1915.99</b>	<b>2123.02</b>	<b>1915.99</b>	<b>1888.53</b>

**NOTES:**

- The above results were taken on record by the Board of Directors at its meeting held on **January 27, 2006**.
- 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.25.49** 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.

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

Place: **HYDERABAD**  
Date : **27-01-2006**

**RAJU S DANDU**  
Chairman & Managing Director

