

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31-12-2005**

Sl	PARTICULARS	(Rs. in lakhs)				
		Quarter Ended 31-12-2005 (Un-audited)	Quarter Ended 31-12-2004 (Un-audited)	9 Months Ended 31-12-2005 (Un-audited )	9 Months Ended 31-12-2004 (Un-audited )	Year Ended 31.03.2005 (Audited)
1	Net Sales	115.33	339.29	574.24	969.52	1,901.33
2	Other Income	16.79	12.87	45.14	38.72	40.32
	<b>Total Income</b>	<b>132.12</b>	<b>352.16</b>	<b>619.38</b>	<b>1,008.24</b>	<b>1,941.65</b>
3	a) Consumption of Raw Materials	20.25	44.07	62.80	57.04	156.59
	b) Manufacturing Expenses	4.19	5.27	13.59	10.84	21.76
	c) Selling and Distribution	26.10	23.09	139.67	138.09	209.51
	d) Travelling Expenditure	9.95	11.02	35.01	41.56	52.35
	e) Miscellaneous Expenditure Written Off:					
	i. Amortisation of R&D Expenses	8.47	15.11	25.40	45.32	74.23
	ii. Preliminary and Pre-operative Expenses	0.46	1.94	1.38	5.83	7.77
	f) Staff Cost	21.71	11.47	54.14	26.64	43.12
	g) R&D Expenditure	42.78	-	119.67	-	89.74
	h) Other Expenditure	41.10	45.73	122.80	123.90	207.33
	<b>Total</b>	<b>175.01</b>	<b>157.70</b>	<b>574.46</b>	<b>449.22</b>	<b>862.41</b>
4	Interest	8.76	5.24	15.22	14.67	19.38
5	Depreciation	4.02	2.89	11.58	6.93	10.71
	<b>Total Expenditure</b>	<b>187.79</b>	<b>165.83</b>	<b>601.26</b>	<b>470.82</b>	<b>892.50</b>
6	<b>Profit Before Tax</b>	<b>(55.67)</b>	<b>186.33</b>	<b>18.12</b>	<b>537.42</b>	<b>1,049.16</b>
7	Provision for Taxation					
	Current Tax	-	52.20	1.52	161.09	336.53
	Tax for earlier period	1.41	21.45	1.41	46.46	48.22
	Fringe benefit Tax	1.05	-	2.10	-	-
	Deferred Tax	(5.41)	19.20	33.96	37.13	21.68
8	<b>Profit After Tax</b>	<b>(52.72)</b>	<b>93.48</b>	<b>(20.87)</b>	<b>292.74</b>	<b>642.72</b>
9	Paid up Equity Share Capital	763.00	763.00	763.00	763.00	763.00
10	Reserves excl. Revaluation Reserve					1262.27
11	EPS (Rs.)	(0.69)	1.23	(0.27)	3.84	8.42
12	Aggregate of Non-Promoter Shareholding					
	No. of shares	3797111	3952111	3797111	3952111	3848711
	Percentage of Shareholding	49.77	51.80	49.77	51.80	50.44

**Notes:**

- The above results have been considered and taken on record by the Board of Directors of the Company at their meeting held on Friday, 20 January 2006 after being duly reviewed by the Audit Committee.
- The figures for previous periods have been recast and regrouped wherever necessary.
- The Company operates in only one segment, i.e., simulation.
- Revenue R&D expenditure during 9 months ended 31 December 2005 has been charged to P&L A/c. Revenue R&D Expenditure during corresponding 9 months ended 31 December 2004 was treated as Deferred Revenue Expenditure. The amount so charged for the 9 months ended 31-12-05 is Rs. 119.67 lakhs and hence the profit after tax is lower to that extent. The Deferred R&D Expenditure of earlier periods continues to be amortized over a period of three years as per earlier policy.
- For the quarter ended 31 December 2005, number of investor grievance/complaints Received =1; Resolved=1; Pending=Nil
- Given the nature of the industry in which the Company operates, the Quarterly results can be quite lumpy and consequently corresponding quarter on quarter performance can be unpredictable.
- Sathguru Management Consultants Private Limited, Plot No.15, Hindi Nagar, Panjagutta, Hyderabad-500 034 have been appointed as the Company's new common share transfer agent in the place of Ikon Visions Private Limited, Hyderabad with effect from 20 January 2006.

For and on behalf of the Board of Directors

Place: Hyderabad  
Date : 20 January 2006

**Ashok Atluri**  
Managing Director