

NINTH ANNUAL REPORT

1999-2000

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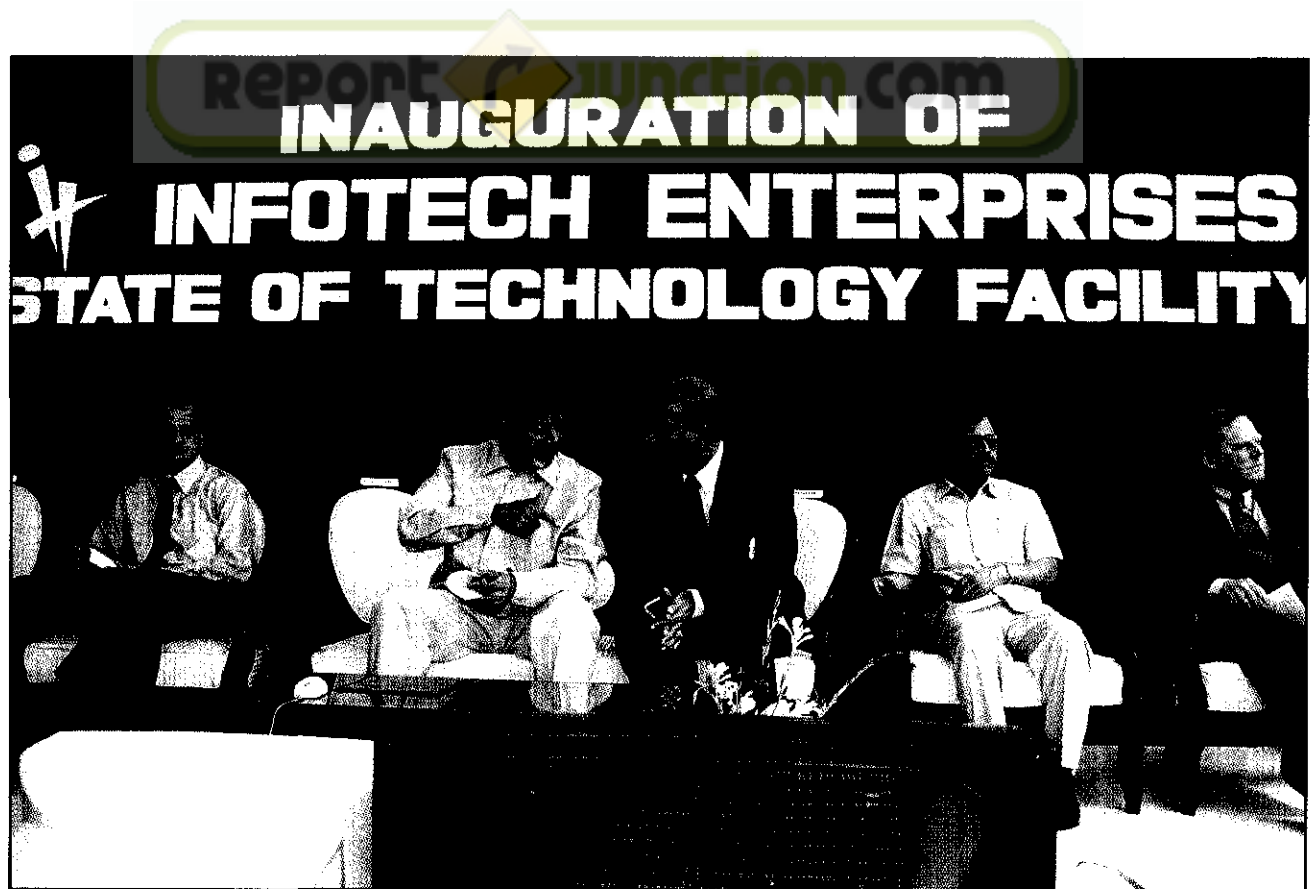


INFOTECH
ENTERPRISES LIMITED

Towards Organizational Excellence



InfoTech's State of Art Technology facility at Infocity, Hyderabad



*Hon'ble Chief Minister of Andhra Pradesh, Shri Nara Chandrababu Naidu, (Second from left)
Mr. B V R Mohan Reddy, Managing Director, InfoTech Enterprises Limited (Third from left) and other dignitaries on the
eve of the inauguration of InfoTech's State of Art Technology facility at Infocity, Hyderabad, on 19th January, 2000*



Board of Directors

B V R Mohan Reddy	Managing Director
B Sucharitha	Whole-time Director
K Rajan Babu	Director
M M Murugappan	Director
Dr. Y R K Reddy	Director
David O Hicks	Director
Harjit Singh Bhatia	Director
Sudhir Sethi	Director
Puneet Bhatia	Alternate Director to Mr. Harjit Singh Bhatia

Mohan Krishna Reddy	Chief Financial Officer
N Lakshmi Pathy	Dy. General Manager - (F & A) & Compliance Officer
Ravi Telkar	Asst. Company Secretary
Bankers	Auditors
Global Trust Bank Ltd. 9-1-129/1 Oxford Plaza Building S D Road Secunderabad - 500 003	M/s G P Associates Chartered Accountants Divya Shakti Complex Ameerpet, Hyderabad - 500 016
U.S. GAAP Auditors	Share Transfer Registry
M/s Ernst & Young Pvt. Ltd. 205, 2nd Floor Ashoka Bhoopal Chambers S P Road Secunderabad - 500 003	Karvy Consultants Limited "Karvy House", 46, Avenue 4 Street No.1 Banjara Hills Hyderabad - 500 034
Registered Office	Software Development Facility
Plot No.42, Nagarjuna Hills Panjagutta Hyderabad - 500 082, A. P., India.	Plot No.11, Software Units Layout, Infocity, Madhapur, Hyderabad - 500 033

INFOTECH ENTERPRISES LIMITED



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Letter to the Shareholders

Dear Shareholder,

Another remarkable year has gone by. The year saw your Company achieving rapid strides in the business and some spectacular events which included acquisition of two companies, namely, Dataview Solutions Limited, a private limited company incorporated in the United Kingdom, and Cartographic Sciences Limited, a company registered in India.

We are pleased to report a very good performance for the year. The total revenue grew from Rs. 226.65 million to Rs. 353.56 million, while PAT grew to Rs. 103.23 million from Rs. 64.75 million. For the year 1999-2000, 97% of the revenues have been derived from exports. The year saw a distinct shift in the business model of the Company from that of a predominantly conversion services company to a total solution provider in the areas of Enterprises GIS and Enterprise Engineering Solutions. As in the past, we worked very hard to design, develop and deliver high quality solutions to our clients. This further strengthened our bonds with them. The Company's quality policy is to achieve and maintain a reputation for High levels of Accuracy, On-time Delivery and Cost Effective Software Services in the global market place.

Our business is to provide a wide range of Software and Services for Digitization, CAD / GIS Applications Development, Enterprise Software and Internet Solutions. For more than six years, InfoTech has been delivering high quality services to the global market place, in tune with its Quality Policy and has a client list that includes several Fortune 500 companies from over 12 countries around the world.

Growth in sales and improvement in margins came from repeat orders from the same clients. Around 90% of the revenue for the year had been derived from the existing clients. The Company added 24 new clients during the year and though they accounted only for around 10% of the revenue for the year, we believe that repeat orders from these clients should grow substantially in the years to come. During the year, InfoTech developed focus into the areas of "Enterprise Web Enabling Solutions". A separate group of 60 software professionals have been re-trained to provide E to E, e-Solutions to customers world wide. Several customers have already started using InfoTech's services in this area. We intend to focus aggressively on this growing market opportunity in the future.

Future is uncertain and dynamic. As we move forward, our challenge is to improve our competencies while protecting our margins. The Company spent over 3% of its revenue on Research and Development / Training to enhance productivity.

Significant accomplishments have been made in physical and technological infrastructure which would enable substantial cut in costs and time involved in the processes, thereby improving the quality and productivity for our customers. The Company successfully commissioned a world class software development facility covering 1,30,000 square feet of space at Infocity, Hyderabad. This facility houses over 1000 InfoTechians.

During the year, the Company won the "Fast Track Award" from Small World Plc., U.K. for rapid completion of Application Development for Bharti Telenet GIS Project. The year also saw high quality strategic investors like GE Capital, Walden of the WIIG Group and others acquiring stake in the Company.

The new millennium has thrown open several opportunities to the Company. The Company wishes to address these opportunities and for this purpose an Executive Management Committee consisting of 5 members has been constituted to suggest strategies for the same.

As in the past, our success depends on the strong commitments of fellow InfoTechians. We place on record our appreciation and gratitude to these men and women of InfoTech for their continued trust and support.

We value the continued support of our shareholders and are constantly striving to enhance shareholder value.

Warm regards,

Place : Hyderabad

Date : July 12, 2000

B V R Mohan Reddy

Managing Director

Please Note : Some statements contained in this letter may be of a forward- looking nature and may involve risks and uncertainties. Actual future results and outcomes may differ materially from those discussed. Factors that may cause such differences include but are not limited to management of growth, market acceptance of Company's products and services, risks associated with new product versions, dependence on third party relationships and the activities of competitors.

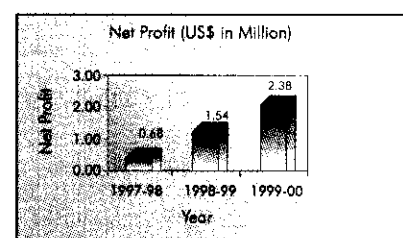
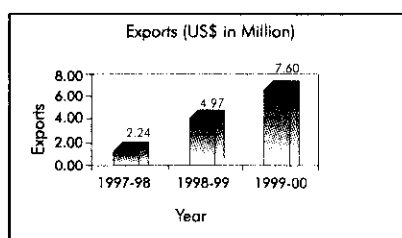
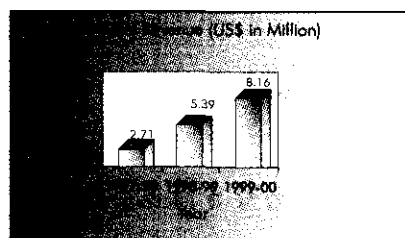


The year at a glance

Particulars	(In Million, except per equity share data)			
	March 31, 2000		March 31, 1999	
	Rs.	US\$	Rs.	US\$
For the year				
Total Revenue	353.56	8.16	226.65	5.39
Exports	329.54	7.60	208.89	4.97
Operating Profit (PBIDT)	136.36	3.15	90.60	2.15
Profit after tax (PAT) from ordinary activities	103.23	2.38	64.75	1.54
PBIDT as a percentage of total revenue	38.57 %	38.57 %	39.97 %	39.97 %
PAT (from ordinary activities) as a percentage of total revenue	29.20 %	29.20 %	28.57 %	28.57 %
Earnings per share (from ordinary activities)	18.05	0.42	11.70	0.28
Dividend per share (pro-rata)	2.00	0.05	1.80	0.04
Dividend Outgo	11.44	0.26	9.97	0.24
PAT as a percentage of net worth	27.52 %	27.52 %	36.13 %	36.13 %
Average US\$ Exchange Rate (Rs.)	43.34		42.05	
At the end of the year				
Total Assets	554.10	12.75	212.18	5.00
Fixed Assets (Net)	163.65	3.77	78.77	1.86
Working Capital	135.98	3.13	131.31	3.09
Cash and equivalents	90.31	2.08	96.84	2.28
Total debt	178.97	4.12	32.96	0.78
Net worth	375.14	8.63	179.22	4.22
Equity	59.02	1.36	55.99	1.32
Market Capitalization	5114.67	117.71	2240.84	52.81
US\$ Exchange Rate (Rs.)	43.45		42.43	

Note: Figures in US\$ were arrived at by converting the Indian GAAP figures at the average conversion rate for the year for all Profit & Loss Account items, and at the exchange rate prevalent on the date of the Balance Sheet for all Balance Sheet items to facilitate comparison. Market Capitalization is computed by considering the closing market price of the Company's scrip on the National Stock Exchange of India Ltd. for the shares outstanding at year-end.

Previous years' figures regrouped wherever necessary.
The above figures are for information purposes only.





Financial Highlights

Rs. in Lakhs

For the year ended March 31,

Particulars	2000	1999	1998	1997	1996
Total Revenue	3535.63	2266.54	1005.45	728.48	502.29
Operating Profit (PBITD)	1363.62	906.03	355.72	303.56	220.23
Profit after tax (PAT)	1032.31	647.53	252.84	216.30	162.90
Dividend	20% *	18% *	16% *	15% *	Nil
Earnings per Share (Rs.)	18.05	11.70	4.70	7.33	10.86

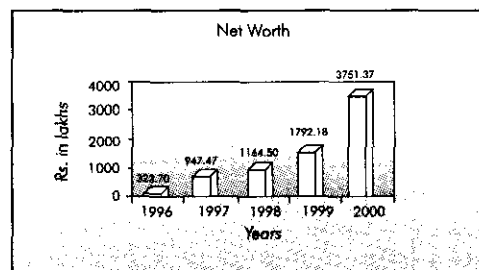
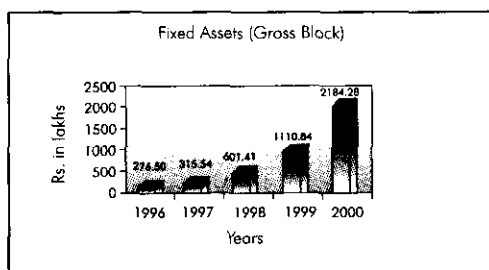
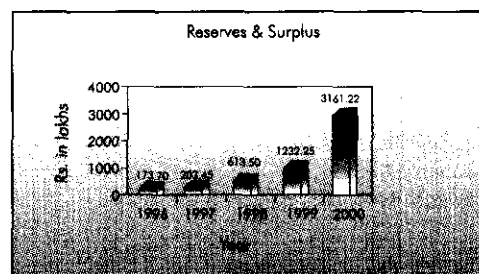
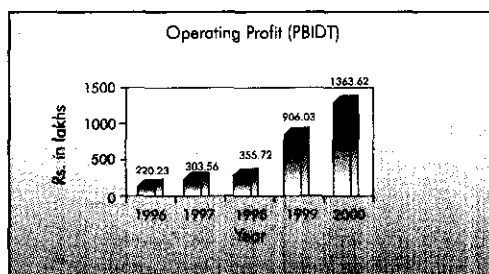
As at March 31,

	2000	1999	1998	1997	1996
Share Capital	590.15	559.93	551.00	744.02 **	150.00
Reserves & Surplus	3161.22	1232.25	613.50	203.45	173.70
Fixed Assets (Gross Block)	2184.28	1110.84	601.41	315.54	276.50
Current Assets (Net)	1359.76	1313.12	852.38	788.43	223.97
Net Worth	3751.37	1792.18	1164.50	947.47	323.70
Capital Employed	5541.04	2121.78	1329.84	1034.95	449.73

Previous years' figures regrouped wherever necessary

* Pro-rata

** Includes Share Application Money





Executive Management Committee

S A Lakshminarayanan
Chief Operating Officer
I.T. Enabled Services

Rajeev Lal
Chief Operating Officer
E-Solutions

O R S Rao
Executive Vice President

Mohan Krishna Reddy
Chief Financial Officer

B Ashok Reddy
General Manager
Human Resources & Corporate Affairs

Senior Management Team

S A Lakshminarayanan
Chief Operating Officer
I.T. Enabled Services

Rajeev Lal
Chief Operating Officer
E-Solutions

O R S Rao
Executive Vice President

Mohan Krishna Reddy
Chief Financial Officer

B Ashok Reddy
General Manager
Human Resources & Corporate Affairs

Dr. G Devendra Rao
General Manager
E-CAD

U Srinivas
General Manager
E-GIS

S Krishna Murthy
General Manager
e-Solutions

N G Raju
General Manager
Software Quality and Processes

K V S Kutty
General Manager
e-Solutions

Dr. G Bhanu Mastan
General Manager
Geo Engineering Services

M Sunil Kumar
Dy. General Manager
Strategic Business Unit 1

N Lakshmi Pathy
Dy. General Manager
Finance & Accounts

T Gopala Krishna
Sr. Manager
Human Resources Development

K Niranjana Kumar
Divisional Manager
e-Solutions

Dr. C D Murthy
Divisional Manager
Photogrammetry

V Rajendra
Divisional Manager
ESD



Company Profile

Enterprise GIS Solutions

Combining over 200 person-years of experience and comprehensive domain expertise with a world-class technology facility and excellent communication infrastructure, InfoTech has emerged as a leading provider of GIS software products and services in global markets. From data conversion, to software application development to consulting services, InfoTech is uniquely positioned to offer COMPLETE GIS SOLUTION FOR THE ENTERPRISE.



Markets addressed by InfoTech include end-users from Telecom, Utilities, Local Governments, Insurance, Transportation segments and GIS Service / Solution provided to them worldwide.

CONVERSION SERVICES

With annual production capacity exceeding 1.75 million person-hours, InfoTech operates one of the largest GIS Conversion Centers in the Asia-Pacific region. This Centre received ISO 9002 Certification (from BVQi, London 1995).



InfoTech offers unmatched versatility in terms of both data capture (Land Information Systems, Automated Mapping/ Facilities Management

and Digital Photogrammetry Services) and GIS domain expertise (Microstation, AutoCAD, Arc/Info, MapInfo, Smallworld, Vision, Intergraph MGE & other customer proprietary software). The Company also offers a comprehensive series of map data products of India, under the brand name Map.IT.

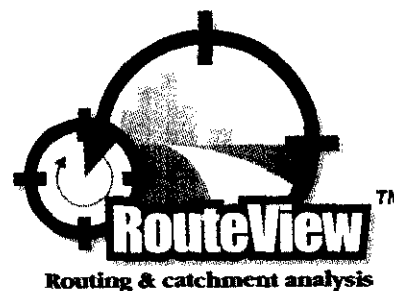


GIS TECHNOLOGY DEVELOPMENT SERVICES

InfoTech has developed robust, affordable Mapping and Navigation technology - GeoLOGIC - that is deployed today in a variety of applications from the desktop to the Web. GeoLOGIC was customised to offer Fleet Management application to one of Germany's largest business conglomerates. InfoTech has also developed a Routing and Trip Planning product for a German IT major that has proved extremely popular with consumers and business users.



Digital Pages - a unique information services from InfoTech - integrates GeoLOGIC with yellow pages information and media-rich advertising content that consumers can access via interactive touch-screen kiosks, CDs and the Web.



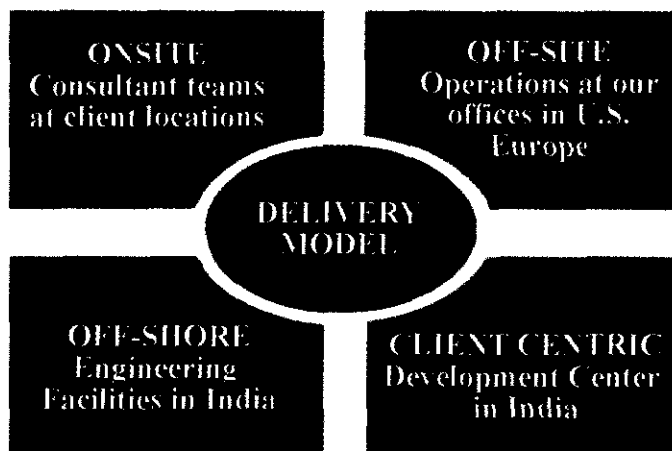
InfoTech's Software Development Centre has skill sets in AML, MapBASIC, MAGIK; Object ARX, ADS & AutoLISP; MDL, JMDL; DAO, ActiveX; C, C++, VC++, Java COM/DCOM, to undertake application development across all popular GIS platforms, including Smallworld, MapInfo, ESRI and Intergraph.



Combining international quality with competitive value has helped InfoTech's offshore development model succeed with several customers around the world.

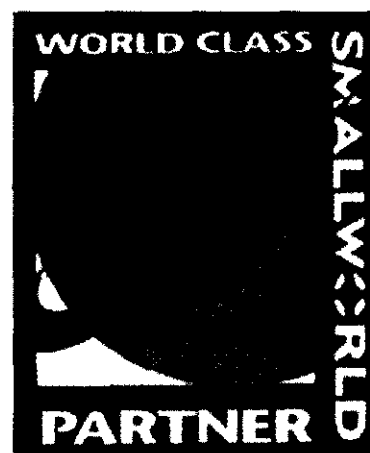
Digital Pages

the complete information experience



utility businesses - and its exclusive distributor in India. InfoTech has helped Bharti Telenet Launch India's first private basic telephone services built around Smallworld GIS and leading edge WLL technology. Extensive digital map data and several customized applications were

developed for Bharti Telenet to support Marketing, Planning, Operations, Maintenance and Customer Care services. Application development for this project was completed in record time and earned InfoTech the Smallworld's "Fast Track Award 1999" for the Asia-Pacific region.



InfoTech also provides software solutions for Business GIS (RouteView, Arrow, Magnet, RouteX, Web, Publisher), Insurance (RiskView, CRESTA), Telecom (CORBA) and Local Authorities (SCANAL).

GIS CONSULTING SERVICES

InfoTech is a World Class Partner of Smallworld - the fastest growing GIS solutions provider for telecom and

With rich software expertise in Smallworld GIS, MAGIK programming, Model I.T. Circ.IT and PowerON, InfoTech provides consulting services to several global customers.

InfoTech undertakes, turnkey projects that cover landbase data creation, requirement analysis, database design & modeling, customisation and integration with customer operations support systems.

