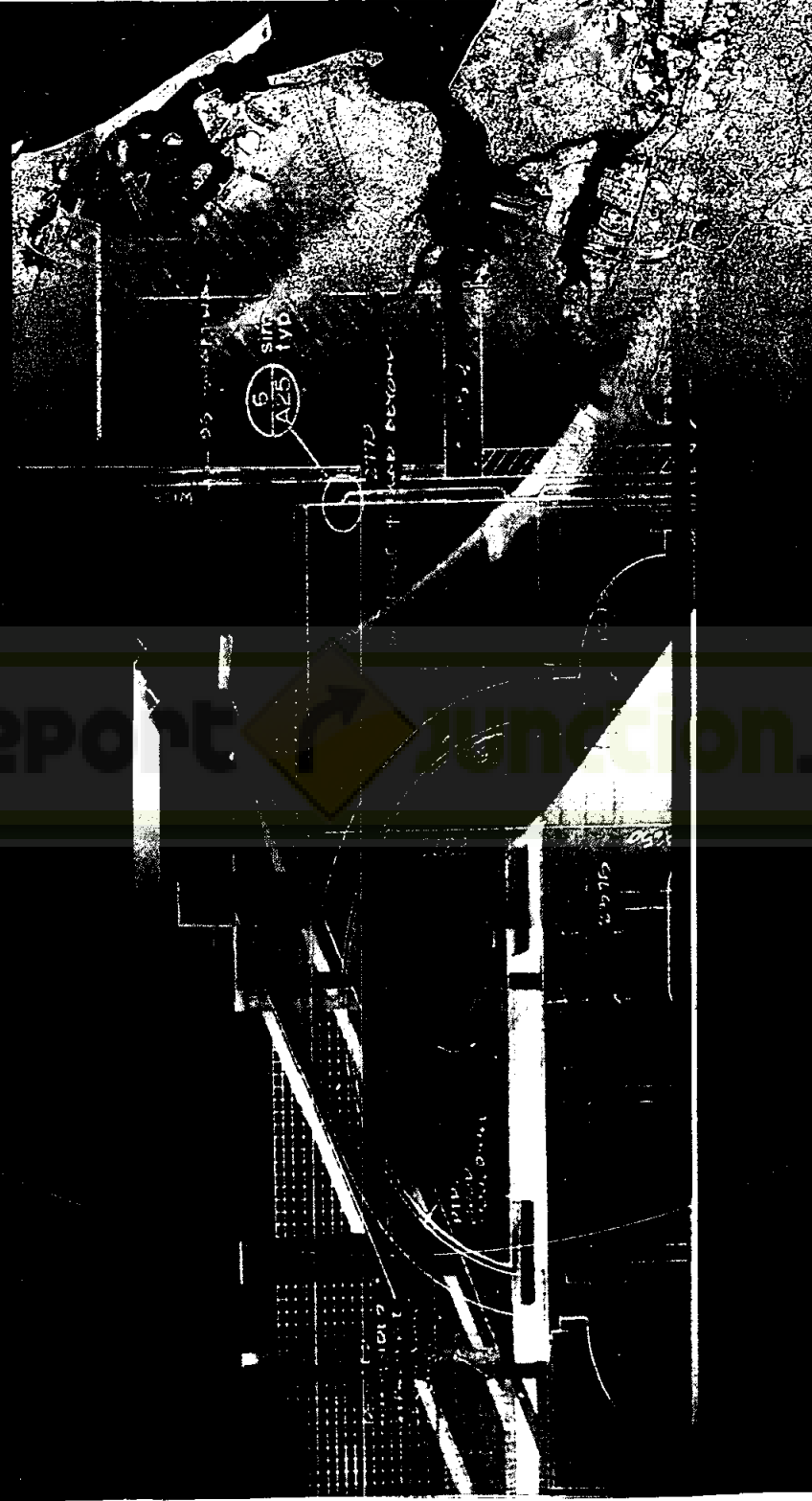


10th
ANNUAL REPORT
2000-2001



ENTERPRISES LIMITED

A force. A fusion.

Many dimensions. Many paths.
Many destinations. This is a
perception of InfoTech Enterprises.
More precisely, InfoTech is a fusion,
a vibrant synergy of four key forces –
People, Technology, faith of our
Shareholders and a passion to Excel.

Every InfoTech associate, every
moment, lives the InfoTech dream,
that set world standards. Our paths,
travelled together, take us to new
horizons. And new victories. We
never forget, that it is our people who
make it all possible.

It is this mindware and technology
that assist us in our mission to excel.
In everything we do. Because
excellence is the raison d'être for
InfoTech. We see every challenge as
a new opportunity.

Contents

Letter to the Shareholders	2
The Year at a Glance	4
Board of Directors	6
Company Profile	7
Corporate Services :	
• Geographical Information System	8
• Engineering Solutions	10
• e-Solutions	12
Subsidiaries :	
InfoTech Enterprises Europe Limited – UK	14
InfoTech Software Solutions, Inc. – USA	16
InfoTech's Contribution to Human and Social Development	18
Executive Management Team	19
Human Resources Report	21
Corporate Governance	28
Notice to the Shareholders	30
Directors' Report	33
Annexure to Directors' Report	36
Auditors' Report	38
Balance Sheet & Profit & Loss Account with Schedules	40
Annual Accounts – InfoTech Enterprise Europe Ltd.	56
Annual Accounts – InfoTech Software Solutions, Inc.	68
Shareholder Information	74
Financial History	76
Financial Performance	77
Ratios	79
Stock Information	80
Share Holding Pattern	82
FAQ's	84
Other Information	87

Dear Shareholders,

This year has been yet another eventful year for us at InfoTech Enterprises for our focus continues to be Growth, Globalisation, Quality & Human Resource Development.

Growth

Your company has shown excellent growth in Sales and Profitability. With sales growth of 72% and profit growth of 67%, our performance has been ahead of the industry expectations. Your company exceeded the Sector growth rate of 54% estimated by NASSCOM. I believe that we would exceed the growth rates of 40-45%, estimated by NASSCOM for the current year.

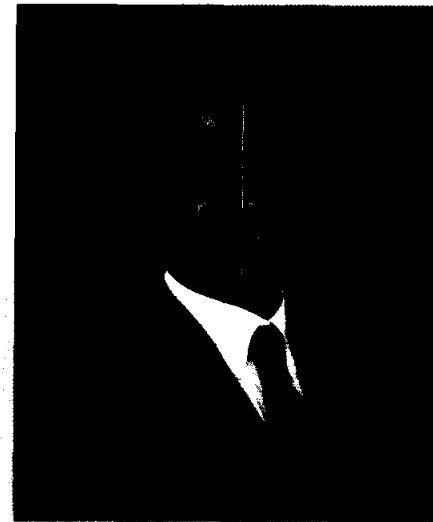
The key reason for the strong performance has been on account of our focus on long term sustainable business. Our technological strengths have given us further competitive edge in the industry. Last year we continued our focus on US and European markets. These two markets yielded 96% of our sales (49% from USA and 47% from Europe). The company has successfully insulated itself from the impact of the US slowdown by entering the European market space as early as 1999 with the acquisition of Dataview Solutions (Now InfoTech Enterprises Europe). We have further enhanced our growth through repeat business from existing customers by delivering high quality services at affordable costs and on time. These same strengths have also started yielding results with major contracts from prestigious new clients.

Globalisation

The long term vision of the company is to be a true global player with global customers, global shareholding and international listings. Physical presence close to the customer gives us tremendous advantage in understanding the customer's needs and in satisfying their requirements fully.

Our strategy for the US markets is to increase our presence through offices in multiple locations - Riverside, CA, Detroit, MI and Hartford, CT and strengthening the offices with high performance sales force. We continue to work on strategic relationships and pursue acquisition prospects.

In order to strengthen the European presence and capture the increasing opportunities in GIS, Engineering and e-Solutions, we have made very decisive moves in acquiring Dataview Solutions (Now InfoTech Enterprises Europe) in London in late 1999 and Advanced Graphics Software in Germany in early 2001. The latest acquisition by our UK subsidiary InfoTech Enterprises Europe, of the London based MapCentric in April 2001,



Europe's leading GIS distributor with a network of 400 customers and distributors will form the basis of a new Europe, Africa & Middle East division within InfoTech Enterprises Europe and further strengthen our presence in the region.

Quality

In order to be a true Global player, the quality of services that we provide would have to be world-class. Our focus on quality continues to be very high. In addition to the ISO 9001 and 9002 compliance, we are working towards SEI CMM Level 4 certification. I am pleased to inform that your company has completed the pre-assessment for SEI CMM Level 4, and the final assessment is expected to be completed by August 2001.

Human Resources Management

Success of all projects executed hinges decisively on the capabilities and commitment of our people. Inspite of the high demand for professionals and the paucity of good people in the market, we have been very successful in attracting key talent in the right mix at various levels of the organisation and also in retaining them. The attrition levels have been lower than the industry averages.

There has been a net addition of 574 associates for the last financial year, bringing the total number of our associates to 1896. We believe that Training & Development should be aligned with business goals. A total of 53 training programs were conducted (15 Behavioural and 38 Technical) which covered almost 510 of our associates (Exclusive of project specific training programs).

Future prospects

The future remains bright. We will continue to move forward with our strategy of growth, through a combination of organic growth and through acquisitions. We will continue to show an impressive growth through our investments in the markets where we have been successful and into new potential high growth markets. We will focus on the global brand equity beyond 2001. We will invest in technologies for making our associates more skilled and highly productive to provide higher value for money to our customers.

We offer our profound thanks to everyone who has contributed to InfoTech's success: our associates, consultants, customers, bankers, government officials and shareholders.

We look forward to their continued trust and support.

Warm Regards,

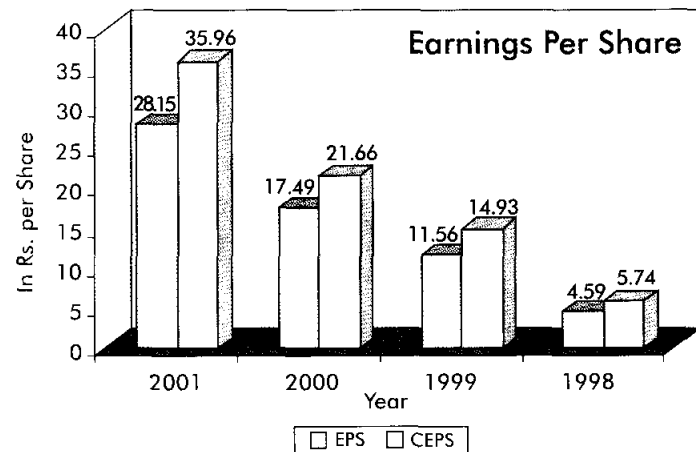
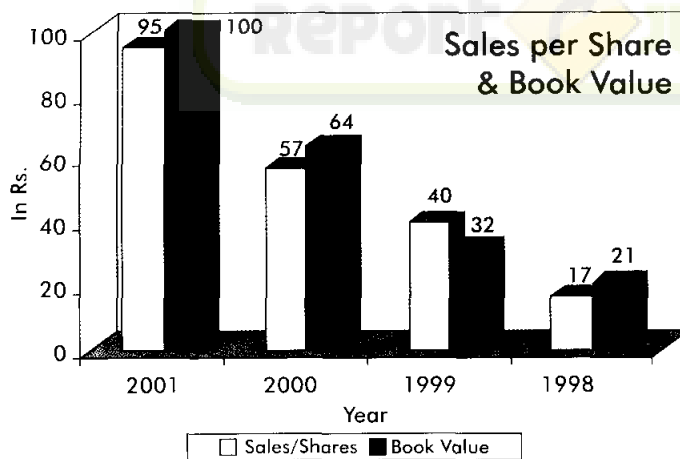
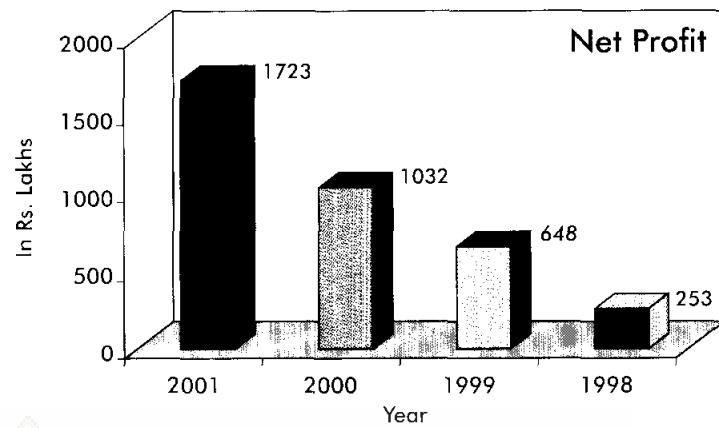
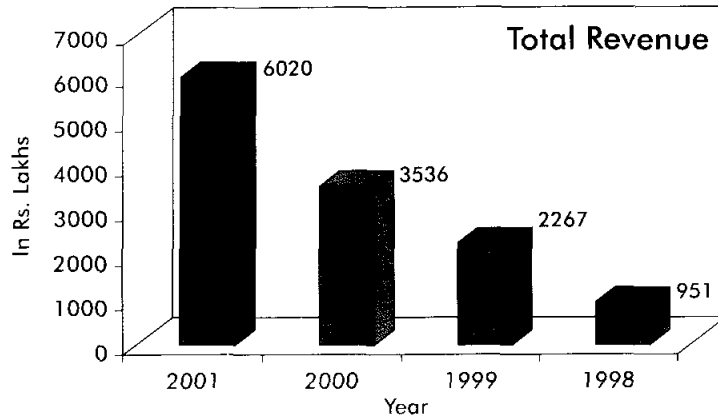
B V R Mohan Reddy
CEO & Managing Director

The Year at a Glance

(In million, except equity share data)

Particulars	March 31, 2001	March 31, 2000	Growth %
	US \$	Rs.	US \$
FOR THE YEAR			
Total Revenue	602.03	353.56	8.14
Exports	551.08	329.54	7.58
Operating Profit (PBIT)	229.16	136.36	3.14
Profit after tax (PAT) from ordinary activities	172.30	103.23	2.38
PBIT as a percentage of total revenue	38.06%	38.57%	38.57%
PAT (from ordinary activities) as percentage of total Revenues	28.62%	29.20%	29.20%
Earnings per share (from ordinary Activities) (Rs.)	28.15	18.05	0.42
Dividend per share (Rs.)	2.20	2.00	0.05
Dividend Amount	13.46	11.80	0.27
Capital investment	181.09	107.35	2.47
PAT as a percentage of average net worth	34.81%	37.24%	37.24%
AT THE END OF THE YEAR			
Total assets	895.89	630.49	14.51
Fixed assets - net	304.20	163.65	3.77
Cash and cash equivalents	52.08	90.31	2.08
Working Capital	140.05	135.98	3.13
Total debt	174.48	178.97	4.12
Net worth	614.78	375.14	8.63
Equity	61.20	59.02	1.36
Market Capitalization	612.00	5114.67	117.71
US\$ Exchange rate (Rs.)	45.69	43.45	(88)

Market capitalization is calculated by considering the share price at the Bombay Stock Exchange on March 31 of the respective years on the share outstanding as that date.
* Figures are regrouped wherever necessary.



Mr. B V R Mohan Reddy
Managing Director

Board of Directors

Mrs. B Sucharitha
Whole time - Director

Mr. Rajan Babu Kasetty
Director

Mr. M M Murugappan
Director

Dr. Y R K Reddy
Director

Mr. Sudhir Sethi
Director

Mr. Joseph Norman Rokosh
Director

Mr. Harjit Singh Bhatia
Director

Mr. Puneet Bhatia
(Alternative Director to
Mr. Harjit Singh Bhatia)

Company Profile

Report



Junction

Incorporated in late 1991, InfoTech Enterprises today ranks among India's leading software services companies and fifth among the top ten software exporters in Hyderabad.

InfoTech's areas of core competence are Geographical Information Systems, Engineering Solutions and e-Solutions. The company provides software services and solutions in the form of:

- GIS Data Conversion, Digital Photogrammetry & Remote Sensing Services
- GIS Consulting & Implementation Services
- Software Development for GIS, CAD, Internet and e-Business Applications
- Engineering Services

InfoTech through its core competencies provides software services to the following market segments:

- Utilities including Telecom
- Manufacturing
- Transportation & Logistics
- Local Governments
- Corporate & Financial Services

InfoTech is ISO 9000 certified by BVQI London, across all operations and has an impeccable track record for delivering high quality software services and solutions on a global scale.

InfoTech has rapidly globalised its software services business through group companies and subsidiary offices in the UK, Europe and North America. InfoTech Enterprises Europe, UK, InfoTech Software Solutions Inc., USA, and their satellite offices have helped to move InfoTech's center of gravity closer to its customers and market spaces.

A public limited company (IPO in 1997), InfoTech's shares are actively traded on India's major stock exchanges (NSE:INFOTECENT, BSE:INFOENT). Industry surveys have rated the company an excellent performer both financially and on the stock markets, acknowledged InfoTech as one of the country's fastest growing IT companies.

Zooming in... GIS Solutions

GIS Services

As an end-to-end GIS solutions provider, InfoTech provides data conversion & digital photogrammetry services, GIS application development services and GIS consulting & implementation services. The company has been serving the global market since 1992 and has acquired an excellent reputation and successful track record for these services.

Business Activities

InfoTech's GIS software services are focused on a number of key vertical markets - **Telecommunications, Utilities, Transportation, Local Government, Corporate and Financial Services.** These markets continue to present the company with significant business opportunities in the areas of data conversion, application development and consulting services. InfoTech's outsourcing model greatly reduces the cost of these services to global customers who additionally benefit through local presence and project management provided by our subsidiaries in UK, USA and Germany.

InfoTech also operates one of the world's largest data conversion facilities with annual production capacity exceeding 2.7 million person-hours.

Large customers for data conversion services include Fugro-Inpark Netherlands, Analytical Surveys, Inc. USA, TeleAtlas North America and Navionics, Italy. In the photogrammetry area, the Company has long-term contracts from Infoterra, UK and Triathlon, Canada to provide **Orthophoto Generation and Stereo Data Compilation Services.** The company has also provided onsite data conversion services for clients like Global TeleSystems (UK and Belgium).

InfoTech has a large resource base providing GIS application development and consulting services

on InfoTech's proprietary GeoLOGIC technology as well as on third-party technologies from GE Smallworld, ESRI, MapInfo, Intergraph, Autodesk and Oracle. Our customers include Vodafone Passo, Distefora Navigation, GE Smallworld, COLT Telecommunications, Concert Communications, Global Marine Systems, EasyMap, EuroNav, Metro Networks, Christies, Suffolk County Council, CEFAS and Farsi Maps.

InfoTech has leveraged its skills in **navigation technology** to provide solutions in high-growth areas like **Traffic Telematics, Transportation Logistics and Location Based Services.** By basing these development services on GeoLOGIC technology, we offer the benefits of customised solutions and reduced cost-of-ownership to our customers.

As a GE Smallworld world-class partner, InfoTech offers consulting and implementation on Smallworld GIS technology to the telecom and utility industries. In the domestic space, InfoTech is implementing end-to-end solutions for Hughes Tele.com and Bharti Telenet. Additionally, the Company has consultants working with the development group at GE Smallworld, UK and also undertakes offshore software maintenance projects for them.

Technologies

InfoTech's GeoLOGIC technology will be the key to serving the rapidly growing market for *Navigation services.* We continue to develop GeoLOGIC to address emerging requirements in this area such as location based services and multi-modal transportation.

The Company has also developed customised products for the Telecom industry on Smallworld GIS technology. InfoTech SmartWiLL product allows customers to store and analyse RF coverage into Smallworld GIS ready data. SmartWiLL is