

KPIT Cummins Infosystems Limited

Registered & Corporate Office - Plot No. 35/36, Phase I, Rajiv Gandhi Infotech Park, Hinjewadi, Pune - 411057

Website : www.kpitcummins.com

[illegible]

Particulars	3 months ended March 31, 2012
Pending at the beginning of the quarter	-
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	-

General

- 1 The above audited financial results have been reviewed by the Audit Committee and thereafter approved and taken on record by the Board of Directors in their meeting held on 30th April, 2012.
- 2 The Financial Statements have been prepared in accordance with Accounting Standards on financial statements mandated by Rule 3 of Companies (Accounting standards) Rules, 2008, the provision of Companies Act, 1956 & the guidelines issued by the Securities and Exchange Board of India.
- 3 The Company has designated the outstanding forward exchange contracts relating to certain firm commitments and forecasted transactions as at March 31, 2012 as cash flow hedges applying the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instruments: Recognition and Measurements" (AS-30). Changes in fair value of such forward exchange contracts if effective are recognized directly in Reserves and ineffective portion is recognized immediately in Profit and Loss Account.
- 4 The Board of Directors at their meeting held on 30th April, 2012 has allotted 161,708 equity shares to employees of the Company, pursuant to the exercise of stock options under ESOP 2004 scheme and ESOP 2006 scheme.
- 5 The other income for the quarters ended 31st March 2012 and 31st December 2011 and year ended 31st March, 2012 includes foreign exchange gain / (loss) of Rs. 340.18 lakhs , (Rs 680.28 lakhs) and Rs. (1363.31) lakhs respectively . (Previous year foreign exchange gain / loss) of Rs. 26.66 lakhs and Rs. 522.87 lakhs for the quarter and year ended 31st March, 2012 respectively).
- 6 The Revised Schedule VI have become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
- 7 The Company has invested in 50% shareholding of Systime Global Solutions Pvt. Ltd. as per the board approval in its meeting held on 24th May, 2011. SYSTIME is one of the world's largest JDEdwards solution provider and Oracle Platinum partner. The Company has acquired additional 7.5% equity shares effective January 01, 2012 and subsequently the total shareholding in the acquired company is 57.5%.
- 8 The Company has transferred diversified financial services division in its entirety to Infrasoft Technologies under the business transfer agreement. This transfer has been done in second quarter of the current financial year. Under this agreement, the Company has agreed to transfer all its existing DFS customer contracts along with corresponding account management and the price agreed is based on milestones achieved over next three to four quarters.
- 9 During the year the company has entered into a business partnership with Sankalp Semiconductor Pvt Ltd for the Hardware Business of Semiconductor Solutions Group (SSG) with a view to focus on Software business. This agreement has been entered into in last quarter of the current financial year. Under this agreement, the Company has agreed to transfer all its existing Employees and customer contracts along with corresponding account management related to the Hardware Business of SSG. The purchase consideration for this is in the form of cash and stocks of Sankalp Semiconductor Pvt Ltd. Sankalp is a key player for Analog Mixed Signal services and solutions specializing in end-to-end solutions for ICs, (Analog and mixed signal chip design/layout). This association will make it one of the largest practices in hardware design with best competence in Analog and Mixed Signal design (AMS) area.
- 10 During the year, the Company has acquired 20% stake in share capital of GAIA Systems Solutions Inc. Japan on 23rd March 2012.
- 11 During the year the Company has incorporated two new subsidiaries namely KPIT Infosystems Netherlands B.V. on 16th March 2012 and KPIT INFOSYSTEMS (BRASIL) SERVIÇOS DE TECNOLOGIA E PARTICIPAÇÕES LTDA., Brazil on 6th March 2012.
- 12 The company has allotted 88,971,438 bonus equity shares on 1:1 basis on March 15, 2012. The EPS figures for the quarter/year has been reworked to give effect of this allotment of bonus shares as required Accounting Standard (AS) 20 'Earning per share'.
- 13 The figures for the last quarter of current and the previous years are the balancing figures between audited figures for the full financial years and the unaudited published year to date figures for nine months for respective years.
- 14 **Matters relating to Subsidiaries**
- 14 During the quarter loan of USD 5,500,000 (INR 270,125,000) was given to wholly owned subsidiary KPIT Infosystems Inc. USA

On behalf of the Board of Directors
For KPIT Cummins Infosystems Limited

Place : Pune
Date : April 30, 2012

sd/-
Kishor Patil
CEO & Managing Director

sd/-
S.B. (Ravi) Pandit
Chairman & Group CEO