

(Rs in Lakhs)						
Sl. No.	Particulars	3 months ended 31/12/2008	Corresponding 3 months ended 31/12/2007 in the previous year	Year to date figures for nine months ended 31/12/2008	Year to date figures for nine months ended 31/12/2007	Previous Accounting year ended 31/03/2008
		Unaudited	Unaudited	Audited	Unaudited	Audited
1	(a) Net Sales/ Income from Operation	7,317	4,517	21,356	13,020	17,823
	(b) Other Operating Income	192	0	354	0	0
	Total Operating income(a+b)	7,509	4,517	21,710	13,020	17,823
2	Total Expenditure					
	a) Employee Costs	2,442	1,568	7,637	4,380	5,821
	b) Project Work Expenses	2,195	1,891	5,882	5,609	7,715
	c) Bad Debts / Provision for Bad and Doubtful Debts	535	-305	543	-332	-1,810
	d) Depreciation and Amortisation	359	94	1,064	274	364
	e) Other Expenditure	2,549	813	4,591	2,905	3,720
	Total	8,080	4,061	19,717	12,836	15,810
3	Profit from Operations before Other income, Finance cost and Exceptional items (1-2)	-571	456	1,993	184	2,013
4	Other Income	0	12	11	221	240
5	Profit before Finance cost and Exceptional items (3+4)	-571	468	2,004	405	2,253
6	Finance Cost	303	318	740	1,347	1,434
7	Profit after Finance cost but before Exceptional Items (5-6)	-874	150	1,264	-942	819
8	Exceptional Items	0	0	0	0	0
9	Profit(+) / Loss(-) from ordinary activities before tax (7+8)	-874	150	1,264	-942	819
10	Tax Expense					
	- Current Tax (MAT)	-134	0	103	0	24
	- Reversal of Tax (earlier year)	-141	0	-141	0	0
	- Deferred tax charge	54	300	70	300	300
	- Fringe Benefit Tax	23	15	64	45	63
11	Net Profit(+) / Loss(-) from ordinary activities after tax (9-10)	-676	-165	1,167	-1,287	432
12	Extraordinary items (net of tax expenses)	0	0	0	0	0
13	Net Profit(+) / Loss(-) for the period (11-12)	-676	-165	1,167	-1,287	432
14	Paid up Equity Share Capital (Face Value per Share Rs 10/-)	11,137	11,134	11,137	11,134	11,134
15	Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year	13,840	0	13,840	0	13,789
16	Earning Per Share (Rs.)					
(a)	Basic and diluted EPS before Extraordinary Items for the period, for the year to date and for the previous year (not annualised).					
	- Basic	-0.61	-0.15	1.05	-1.06	0.40
	- Diluted	-0.61	-0.15	1.05	-1.06	0.40
(b)	Basic and diluted EPS after Extraordinary Items for the period, for the year to date and for the previous year (not annualised).					
	- Basic	-0.61	-0.15	1.05	-1.06	0.40
	- Diluted	-0.61	-0.15	1.05	-1.06	0.40
17	Public shareholding					
	- Number of Shares	55,585,051	43,028,826	55,585,051	43,028,826	43,033,826
	- Percentage of shareholding	49.91%	38.65%	49.91%	38.65%	38.65%
18	Promoters and promoter group Shareholding					
a.	Pledged / Encumbered					
	-Number of Shares	54,832,813	N.A.	54,832,813	N.A.	N.A.
	-Percentage of shares (as a % of the total shareholding of Promoter and promoter group)	98.30%	N.A.	98.30%	N.A.	N.A.
	-Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	49.24%	N.A.	49.24%	N.A.	N.A.
b.	Non Encumbered					
	-Number of Shares	947,519	N.A.	947,519	N.A.	N.A.
	-Percentage of shares (as a % of the total shareholding of Promoter and promoter group)	1.70%	N.A.	1.70%	N.A.	N.A.
	-Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	0.85%	N.A.	0.85%	N.A.	N.A.

Segment-wise Revenue, Results and Capital Employed

(Rs in Lakhs)						
Segment Reporting	Particulars	3 months ended 31/12/2008	Corresponding 3 months ended 31/12/2007 in the previous year	Year to date figures for nine months ended 31/12/2008	Year to date figures for nine months ended 31/12/2007	Previous Accounting year ended 31/03/2008
		Unaudited	Unaudited	Audited	Unaudited	Audited
Segment Revenue						
(a)IT		4,320	4,517	13,484	13,020	17,823
(b)BPO		3,011	0	7,960	0	0
Total		7,331	4,517	21,444	13,020	17,823
Less: Inter-segment revenue		14	0	88	0	-
Net Income from operation		7,317	4,517	21,356	13,020	17,823
Segment Results(Profit(+)/Loss(-) before Tax and interest from each segment						
IT		-1,627	456	-491	184	2,013
BPO		1,056	0	2,484	0	0
Total		-571	456	1,993	184	2,013
Less: Inter-segment profit		0	0	0	0	0
Net segment results		-571	456	1,993	184	2,013
Less: Unallocable						
Interest Expense		303	318	740	1,347	1,434
Other Income		0	-12	-11	-221	-240
Total Profit Before Tax		-874	150	1,264	-942	819
Capital Employed						
(Segment Assets-Segment Liabilities)						
(a)IT		10,696	9,656	10,696	9,656	8,861
(b)BPO		3,093	0	3,093	0	0
Total		13,789	9,656	13,789	9,656	8,861

Consolidated Financial results for the quarter and nine months ended December 31, 2008

						(Rs in Lakhs)
Sl. No.	Particulars	3 months ended 31/12/2008	Corresponding 3 months ended 31/12/2007 in the previous year	Year to date figures for nine months ended 31/12/2008	Year to date figures for nine months ended 31/12/2007	Previous Accounting year ended 31/03/2008
		Unaudited	Unaudited	Audited	Unaudited	Audited
1	(a) Net Sales/ Income from Operation					
	- Software development and related services	10,426	9,791	30,869	28,008	38,033
	- Claim service fee	17,113	21,256	56,012	65,162	85,598
	(b) Other Operating Income	83	86	255	205	288
	Total Operating income(a+b)	27,622	31,133	87,136	93,375	123,919
2	Total Expenditure					
	a) Employee Costs	19,879	18,366	56,033	55,789	74,291
	b) Project Work Expenses	4,332	4,220	11,623	13,368	17,328
	d) Provision for Onerous Lease	5,698	0	5,698	0	0
	c) Depreciation and Amortisation	2,624	1,034	4,701	2,997	3,767
	e) Other Expenditure	8,926	6,185	21,069	19,326	25,694
	e) Total	41,459	29,805	99,124	91,480	121,080
3	Profit from Operations before Other income, Finance cost and Exceptional items (1-2)	-13,837	1,328	-11,988	1,895	2,839
4	Other Income	255	574	852	2,409	2,836
5	Profit before Finance cost and Exceptional items (3+4)	-13,582	1,902	-11,136	4,304	5,675
6	Finance Cost	1,179	1,088	2,700	3,307	4,062
7	Profit after Finance cost but before Exceptional Items (5-6)	-14,761	814	-13,836	997	1,613
8	Exceptional Items	0	0	0	0	0
9	Profit(+) / Loss(-) from ordinary activities before tax (7+8)	-14,761	814	-13,836	997	1,613
10	Tax Expense					
	- Current (net of reversal of provision Rs 141 lacs (Nil; Rs 141 Lacs; Nil; Nil)	643	266	1,010	314	147
	- Deferred	-327	447	197	875	2,100
	- Fringe Benefit Tax	49	67	162	169	242
11	Net Profit(+) / Loss(-) from ordinary activities after tax (9-10)	-15,126	34	-15,205	-361	-876
12	Extraordinary items (net of tax expenses)	0	0	0	0	0
13	Net Profit(+) / Loss(-) for the period (11-12)	-15,126	34	-15,205	-361	-876
14	Paid up Equity Share Capital (Face Value per Share Rs 10/-)	11,137	11,134	11,137	11,134	11,134
15	Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year (includes debit balance of profit & loss a/c)	-32,844	0	-32,844	0	19,060
16	Earning Per Share (Rs.)					
(a)	Basic and diluted EPS before Extraordinary Items for the period, for the year to date and for the previous year (not annualised).					
	- Basic	-13.58	0.03	-13.65	-0.33	-0.81
	- Diluted	-13.58	0.03	-13.65	-0.33	-0.81
(b)	Basic and diluted EPS after Extraordinary Items for the period, for the year to date and for the previous year (not annualised).					
	- Basic	-13.58	0.03	-13.65	-0.33	-0.81
	- Diluted	-13.58	0.03	-13.65	-0.33	-0.81
17	Public Shareholding					
	- Number of Shares	55,585,051	43,028,826	55,585,051	43,028,826	43,033,826
	- Percentage of shareholding	49.91%	38.65%	49.91%	38.65%	38.65%
18	Promoters and promoter group Shareholding					
	a. Pledged / Encumbered					
	-Number of Shares	54,832,813	N.A.	54,832,813	N.A.	N.A.
	-Percentage of shares (as a % of the total shareholding of Promoter and promoter group)	98.30%	N.A.	98.30%	N.A.	N.A.
	-Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	49.24%	N.A.	49.24%	N.A.	N.A.
	b. Non Encumbered					
	-Number of Shares	947,519	N.A.	947,519	N.A.	N.A.
	-Percentage of shares (as a % of the total shareholding of Promoter and promoter group)	1.70%	N.A.	1.70%	N.A.	N.A.
	-Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	0.85%	N.A.	0.85%	N.A.	N.A.

Segment-wise Revenue, Results and Capital Employed

						(Rs in Lakhs)
Segment Reporting (Consolidated) :	Particulars	3 months ended 31/12/2008	Corresponding 3 months ended 31/12/2007 in the previous year	Year to date figures for nine months ended 31/12/2008	Year to date figures for nine months ended 31/12/2007	Previous Accounting year ended 31/03/2008
		Unaudited	Unaudited	Audited	Unaudited	Audited
Segment Revenue						
	(a)IT	7,973	8,651	24,869	25,229	33,883
	(b)BPO	19,741	22,608	62,801	68,466	90,507
	Total	27,714	31,259	87,670	93,695	124,390
	Less: Inter-segment revenue	175	212	787	525	759
	Net Income from operation	27,539	31,047	86,883	93,170	123,631
Segment Results(Profit+)/Loss(-) before Tax and interest from each segment						
	IT	-2,287	598	-916	995	1,697
	BPO	-11,467	808	-10,716	1,148	1,483
	Total	-13,754	1,406	-11,632	2,143	3,180
	Less: Inter-segment profit	83	-78	-356	-248	-341
	Net segment results	-13,837	1,328	-11,988	1,895	2,839
	Less: Unallocable					
	Interest Expense	1,179	1,088	2,700	3,307	4,062
	Other Income	-255	-574	-852	-2,409	-2,836
	Total Profit Before Tax	-14,761	814	-13,836	997	1,613
Capital Employed (Segment Assets-Segment Liabilities)						
	(a)IT	21,338	25,843	21,338	25,843	24,264
	(b)BPO	17,424	31,342	17,424	31,342	30,884
	Total	38,762	57,185	38,762	57,185	55,148

Notes :

- 1 The above financial results for the quarter and nine months period ended December 31, 2008 have been approved by the Board at its meeting held on March 27, 2009.
- 2 The primary reporting of the Company has been performed on the basis of business segments. The Company is organised into two business segments, Information Technology & related services ("IT") and Business Process Outsourcing ("BPO"). Segments have been identified and reported based on the activity of the customer, the risks and returns, the organisation structure and the internal financial reporting systems. On India standalone basis, the company considers to operate in a single IT segment in previous year.
- 3 Pursuant to a Scheme of Amalgamation (the Cambridge-India Merger Scheme), sanctioned by the Honourable High Court of Judicature at Karnataka on March 20, 2008, with effect from April 1, 2008, the assets and liabilities of Cambridge Integrated Services India Pvt. Ltd (CISIPL), 100% subsidiary of the company, vest with the Company and difference between the carrying value of investments and the value of net assets acquired under the Cambridge-India Merger Scheme has been adjusted to Profit and loss account of the Company. The merger of CISIPL with the company does not have any impact to the Profit and Loss account of the Group. An expense of Rs 8 million incurred in executing the Cambridge-India Merger Scheme has been adjusted against the General reserve.
- 4 Till June 30, 2008, Scandent Group Inc. USA (SG Inc), a subsidiary of the Company (CSL) was considered as an integral foreign operation since it had significant dependence on CSL for its operations. Pursuant to the restructuring undertaken by the Group, Nexplot US, a non-integral subsidiary, merged with SG Inc with effect from April 1, 2008 resulting in lower operational dependence by SG Inc on CSL and higher independent operations. Consequently, for the period ended December 31, 2008, the management has considered SG Inc as non-integral foreign operations. The change in classification to non-integral foreign operations has resulted in foreign currency translation reserve as at December 31, 2008 of Rs 1030 lacs and losses for the quarter ended December 31, 2008 to be lower by Rs 219 lacs and losses for the nine months ended December 31, 2008 to be lower by Rs 820 lacs. Had the change in classification occurred in the beginning of the earliest period presented, profit for the quarter ended December 2007 would have been lower by Rs 399 lacs, loss for the nine months ended would have been higher by Rs 783 lacs and the loss for the year ended March 31, 2008 would have been higher by Rs 669 lacs.
- 5 During the period, the Company has lost certain business due to the economic environment and management has also adopted a new strategic plan for future utilisation of its vacant leased premises as at December 31, 2008. Pursuant to such plan, the management has recorded a provision of Rs 5,698 Lacs towards onerous lease contracts.
- 6 During the period, the principal shareholders (Scandent Holdings Mauritius Limited, AON Minet Pension Scheme and Katra Finance Limited) of the Company entered into share purchase agreements (the "SPAs") to sell up to 75% of the fully diluted share capital of the Company to Xchanging (Mauritius) Limited ("XML"), a wholly-owned subsidiary of Xchanging plc ("Xplc"), a listed company incorporated under the laws of England and Wales. The consideration payable to the sellers under the SPAs shall be satisfied partly by the payment of cash and partly by the issue of shares in Xplc. In compliance with Indian law and as a consequence of entering into the SPAs, XML was required to make an open offer to acquire up to 20% of the fully diluted share capital of the Company (the "Open Offer"). The total proportion of the shares in the Company to be acquired by XML under the SPAs and the Open Offer is 75% of the fully diluted share capital, with the proportion of the shares to be acquired under the SPAs being scaled back to reflect the number of shares actually acquired by XML under the Open Offer. The acquisition of shares under the SPAs is expected to complete on April, 2 2009. However, pursuant to the terms of the SPAs, XML assumed certain rights in relation to the Company in advance of the acquisition completion date. A number of these rights were assumed from January, 1 2009 and therefore it is from this date that the power of operational control is considered to have passed to XML.
- 7 Hitherto the Company followed March 31 as its end date for financial reporting purposes. The Company has changed the end date of its financial year from March 31 to December 31. Accordingly, the consolidated financial statements have been prepared for a period of nine months ended December 31, 2008.
- 8 During the period ended December 31, 2008, the Company received tax demand for the Assessment year 2005-06 amounting to Rs 119 million, including interest, on account of transfer pricing adjustments amounting to Rs 233 million. Subsequent to the balance sheet date, the Company paid Rs 15 million against which the income tax authorities have accepted the application for stay of demand for the balance amount and penalty proceedings. Further, the Company has filed appeal against aforementioned demand. The Company believes that the final outcome of the above dispute should be in favour of the Company and there should not be any material impact on the financial statements.
- 9 As at December 31, 2008, the standalone company has net receivables (after eliminating payables) from Scandent Group Inc.(formerly Albion Inc.) and Cambridge Network Europe Limited (formerly Scandent Network Europe Limited), its wholly owned subsidiaries of Rs 9,730 Lacs (net of payable of Rs 3,920 Lacs) and Rs 720 Lacs (net of payable of Rs 2,890 Lacs), respectively. The company based on future funding plans believes that these dues will be recovered in due course.
- 10 The amounts for the previous period / year have been reclassified where necessary, to confirm to the current period's presentation.
- 11 Information on investors' complaints for the quarter ended December 31, 2008 is as following : Opening balance: Nil, New : Nil, Disposal : Nil, Closing Balance : Nil.

By Order of the Board

Place : London
Date : March 27, 2009

David Andrews
Executive Chairman