

Cambridge Solutions Limited

Xchanging Tower, SJR I Park, Opp. Satya Sai Hospital, 13,14,15, EPIP Park, Whitefield, Bangalore-560066

Unaudited Financial results for the quarter ended March 31, 2011

(Rs in lakhs)

	Particulars	Quarter ended March 31,		Year ended December 31,
		2011	2010	2010
		Unaudited	Unaudited	Audited
1.	Net Sales/ Income from Operations	5,851	5,902	21,792
2.	Expenditure			
	a) Employee Costs	2,874	2,375	10,306
	b) Project Work Expenses	160	1,175	1,824
	c) Exchange loss / (gain)	39	456	376
	d) Depreciation and Amortisation	343	344	1,392
	e) Other Expenditure	1,415	1,296	5,499
	Total	4,831	5,646	19,397
3.	Profit from Operations before Other income, Finance cost and Exceptional items (1-2)	1,020	256	2,395
4.	Other Income	152	182	659
5.	Profit before Finance cost and Exceptional items (3+4)	1,172	438	3,054
6.	Finance Cost	159	211	735
7.	Profit after Finance cost but before Exceptional Items (5-6)	1,013	227	2,319
8.	Exceptional Items	-	-	2,283
9.	Prior period items	-	-	-
10.	Profit (+) / Loss (-) from ordinary activities before tax (7-8-9)	1,013	227	36
11.	Tax Expense	204	-	184
12.	Net Profit (+) / Loss (-) for the period (10-11)	809	227	-148
13.	Paid up Equity Share Capital (Face Value per Share Rs 10/-)	11,140	11,140	11,140
14.	Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year (includes debit balance of profit & loss a/c, if any)	-	-	15,782
15.	Earning / (Loss) Per Share (Rs.)			
	- Basic	0.73	0.20	-0.13
	- Diluted	0.73	0.20	-0.13
16.	Public shareholding			
	- Number of Shares	27,164,552	27,114,029	27,164,552
	- Percentage of shareholding	24.38%	24.34%	24.38%
17.	Promoters and promoter group Shareholding			
	a. Pledged / Encumbered			
	-Number of Shares	-	-	-
	-Percentage of shares (as a % of the total shareholding of Promoter and promoter group)	-	-	-
	-Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	-	-	-
	b. Non Encumbered			
	-Number of Shares	84,239,164	84,289,687	84,239,164
	-Percentage of shares (as a % of the total shareholding of Promoter and promoter group)	100.00%	100.00%	100.00%
	-Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	75.62%	75.66%	75.62%

Segment-wise Revenue, Results and Capital Employed

Segment Reporting

(Rs in lakhs)

Particulars	Quarter ended March 31,		Year ended
	2011	2010	December 31,
	Unaudited	Unaudited	Audited
Segment Revenue			
IT	2,215	2,797	9,236
BPO	3,651	3,118	12,702
Total	5,866	5,915	21,938
Less: Inter-segment revenue	15	13	146
Net Income from operations	5,851	5,902	21,792
Segment Results Profit(+)/Loss(-) before Exceptional, Prior period, Tax and interest from each segment			
IT	133	-297	370
BPO	1,039	732	2,678
Total	1,172	435	3,048
Less: Inter-segment profit	-	-	-
Net segment results	1,172	435	3,048
Exceptional and prior period items			
IT	-	-	-237
BPO	-	-	-
Total	-	-	-237
Segment Results Profit(+)/Loss(-) before Tax and interest from each segment			
IT	133	-297	607
BPO	1,039	732	2,678
Total	1,172	435	3,285
Less: Inter-segment profit	-	-	-
Net segment results	1,172	435	3,285
Less: Unallocable items	-	-	-
Exceptional and prior period items	-	-	2,520
Interest Expense	159	211	735
Other Operating Income	-	-	-
Other Income	-	-3	-6
Total Profit Before Tax	1,013	227	36
Capital Employed			
(Segment Assets-Segment Liabilities)			
(a)IT	2,526	5,700	2,235
(b)BPO	12,344	7,599	12,067
Total	14,870	13,299	14,302

Unaudited Consolidated Financial results for the quarter ended March 31, 2011

(Rs in lakhs)

Sl. No.	Particulars	Quarter ended March 31,		Year ended December 31,
		2011	2010	2010
		Unaudited	Unaudited	Audited
1.	Net Sales/ Income from Operations	23,788	26,948	105,771
2.	Expenditure			
	a) Employee Costs	16,044	17,317	61,852
	b) Project Work Expenses	3,090	3,561	16,318
	c) Exchange loss / (gain)	124	669	1,328
	d) Depreciation and Amortisation	577	708	2,817
	e) Other Expenditure	4,320	4,882	21,458
	Total	24,155	27,137	103,773
3.	Profit from Operations before Other income, Finance cost and Exceptional items (1-2)	-367	-189	1,998
4.	Other Income	262	266	3,687
5.	Profit before Finance cost and Exceptional items (3+4)	-105	77	5,685
6.	Finance Cost	893	793	3,370
7.	Profit after Finance cost but before Exceptional and Prior period Items (5-6)	-998	-716	2,315
8.	Exceptional Items	-	-	8,454
9.	Profit(+) / Loss(-) from ordinary activities before tax (7-8)	-998	-716	-6,139
10.	Tax Expense	382	159	474
11.	Net Profit(+) / Loss(-) from ordinary activities after tax (9-10)	-1,380	-875	-6,613
12.	Paid up Equity Share Capital (Face Value per Share Rs 10/-)	11,140	11,140	11,140
13.	Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year (includes debit balance of profit & loss a/c, if any)	-	-	-36,469
14.	Earning / (Loss) Per Share (Rs.)			
	- Basic	-1.24	-0.79	-5.94
	- Diluted	-1.24	-0.79	-5.94
15.	Public Shareholding			
	- Number of Shares	27,164,552	27,114,029	27,164,552
	- Percentage of shareholding	24.38%	24.34%	24.38%
16.	Promoters and promoter group Shareholding			
	a. Pledged / Encumbered			
	-Number of Shares	-	-	-
	-Percentage of shares (as a % of the total shareholding of Promoter and promoter group)	-	-	-
	-Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	-	-	-
	b. Non Encumbered			
	-Number of Shares	84,239,164	84,289,687	84,239,164
	-Percentage of shares (as a % of the total shareholding of Promoter and promoter group)	100.00%	100.00%	100.00%
	-Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	75.62%	75.66%	75.62%

Segment-wise Revenue, Results and Capital Employed

Segment Reporting (Consolidated) :

(Rs in lakhs)

Particulars	Quarter ended March 31,		Year ended December 31,
	2011	2010	2010
	Unaudited	Unaudited	Audited
Segment Revenue			
IT	5,430	5,365	22,012
BPO	18,460	21,704	84,263
Total	23,890	27,069	106,275
Less: Inter-segment revenue	102	121	504
Net Income from operations	23,788	26,948	105,771
Segment Results Profit(+)/Loss(-) before Exceptional, Prior period, Tax and interest from each segment			
IT	51	-568	237
BPO	-212	633	5,349
Total	-161	65	5,586
Less: Inter-segment profit	-	-20	9
Net segment results	-161	45	5,577
Exceptional and prior period items			
IT	-	-	-238
BPO	-	-	1,721
Total			1,483
Segment Results Profit(+)/Loss(-) before Tax and interest from each segment			
IT	51	-568	475
BPO	-212	633	3,628
Total	-161	65	4,103
Less: Inter-segment profit	-	-20	9
Net segment results	-161	45	4,094
Less: Unallocable items			
Exceptional and prior period items	-	-	6,971
Interest Expense	893	793	3,370
Other Income	-56	-32	-108
Total Loss Before Tax	-998	-716	-6,139
Capital Employed			
(Segment Assets-Segment Liabilities)			
(a)IT	13,214	15,024	13,884
(b)BPO	12,400	6,198	8,862
Total	25,614	21,222	22,746

Notes to above results :

(Rs in lakhs)

1. The above financial results of Cambridge Solution Ltd (the 'company') and its subsidiary (together "the Group") have been reviewed and recommended by the Audit Committee, and approved by the Board of Directors on May 13, 2011, and a limited review has been carried out by the statutory auditors of the Company .
2. The primary segment reporting of the Company / Group is on the basis of business segments. The Company / Group is organised into two business segments, viz., Information Technology and related services ("IT") and Business Process Outsourcing ("BPO"). Segments have been identified and reported considering industry segments of customers, risks and returns, organisation structure and internal financial reporting systems.
3. The Company has investments amounting to Rs.6,768 in Scandent Group, Inc., USA ("SG Inc"), its wholly owned subsidiary. Further, the Company has granted loans and advances aggregating to Rs. 17,272 and also has receivables (net of payables) from the subsidiary amounting to Rs.2,436 Based on an evaluation in the earlier years, the Company has made a provision of Rs.7,664 lakhs against the loans, advances and receivables. The Company considers SG Inc a strategic long term investment and based on a proposed strategic restructuring plan and future growth projections, in the opinion of the management, the aforesaid investments, loans, advances and receivables are considered good and recoverable.
4. Based on the order of the Debt Recovery Tribunal, the Company had issued duplicate debenture certificates for 625,000 debentures of face value of Rs.100 each in favour of a Bank in June 2007, which were subsequently redeemed. In August 2007, a case was filed against the Company with the Madras High Court by another company claiming right over those debentures. The Management and Directors of the Company have recently become aware that the High Court passed an Interim Order in September 2007 restraining the Company from reflecting the redemption of debentures and continue to show it as due and payable, and that order was made absolute in December 2010. The Company, in consultation with a senior legal counsel is taking necessary steps in regard to High Court order.
5. The amounts for the previous year have been reclassified wherever necessary to conform to the current year's presentation.
6. Information on investors' complaints for the quarter ended March 31, 2011 is as following: Opening balance: Nil; New: Nil; Disposal: Nil; Closing balance: Nil.

By Order of Board

Place : London, United Kingdom

Date : May 13, 2011

Darren Fisher
Executive Director