

Xchanging Solutions Limited
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(Rs in lakhs)						
PART I						
Statement of Standalone Audited Results for the Year Ended 31/12/2015						
Sl. No.	Particulars	Quarter ended 31/12/2015	Preceding quarter ended 30/09/2015	Corresponding quarter ended 31/12/2014 in the previous year	Year ended 31/12/2015	Year ended 31/12/2014
	(Refer Notes Below)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1.	Income from operations					
	Net sales/ income from operations	2,996	3,288	3,563	12,090	14,958
	Total income from operations (net)	2,996	3,288	3,563	12,090	14,958
2.	Expenses					
	a) Employee benefits expenses	1,553	1,535	1,776	6,450	7,365
	b) Project work expenses	313	324	506	1,210	2,422
	c) Exchange loss / (gain)	(15)	(121)	7	(136)	143
	d) Depreciation and amortisation expense	93	83	146	389	450
	e) Provision for doubtful advances	51	28	488	144	580
	f) Other expenses	703	731	1,083	2,772	3,496
	Total Expenses	2,698	2,580	4,006	10,829	14,456
3.	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	298	708	(443)	1,261	502
4.	Other income	303	248	781	1,067	1,414
5.	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	601	956	338	2,328	1,916
6.	Finance costs	4	5	5	19	20
7.	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	597	951	333	2,309	1,896
8.	Exceptional items (Gain) / Loss	-	-	688	-	515
9.	Profit / (Loss) from ordinary activities before tax (7-8)	597	951	(355)	2,309	1,381
10.	Tax expense / (credit)	266	323	5	945	659
11.	Net Profit / (Loss) for the period (9-10)	331	628	(360)	1,364	722
12.	Paid up equity share capital (Face value per share Rs 10/-)	11,140	11,140	11,140	11,140	11,140
13.	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year (includes debit balance of profit & loss a/c, if any)	-	-	-	7,711	6,347
14.	Earning / (Loss) per share (of Rs 10/- each) (not annualised)					
	(a) Basic	0.30	0.56	(0.32)	1.22	0.65
	(b) Diluted	0.30	0.56	(0.32)	1.22	0.65

Xchanging Solutions Limited		(Rs in lakhs)	
Standalone Statement of Assets and Liabilities		As at	As at
Particulars		31/12/2015	31/12/2014
EQUITY AND LIABILITIES			
Shareholders' funds			
	(a) Share capital	11,140	11,140
	(b) Reserves and surplus	7,711	6,347
	Sub-total - Shareholders' funds	18,851	17,487
Non-current liabilities			
	(a) Long-term borrowings	91	158
	(b) Other long-term liabilities	35	32
	(c) Long-term provisions	342	302
	Sub-total - Non-current liabilities	468	492
Current liabilities			
	(a) Trade payables	1,173	1,939
	(b) Other current liabilities	661	2,558
	(c) Short-term provisions	2,943	2,703
	Sub-total - Current liabilities	4,777	7,200
	TOTAL - EQUITY AND LIABILITIES	24,096	25,179
ASSETS			
Non-current assets			
	(a) Fixed assets	479	724
	(b) Non-current investments	5,186	5,186
	(c) Deferred tax assets	703	997
	(d) Long-term loans and advances	4,100	3,924
	(e) Other non-current assets	110	134
	Sub-total - Non-current assets	10,578	10,965
Current assets			
	(a) Trade receivables	3,538	5,084
	(b) Cash and bank balances	8,357	5,940
	(c) Short-term loans and advances	264	871
	(d) Other current assets	1,359	2,311
	Sub-total - Current assets	13,518	14,214
	TOTAL - ASSETS	24,096	25,179



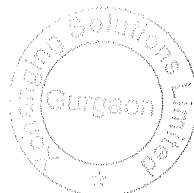
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PART I (Rs in lakhs)

Statement of Consolidated Audited Results for the Year Ended 31/12/2015

Sl. No.	Particulars	Quarter ended	Preceding	Corresponding	Year ended	Year ended
		31/12/2015	quarter ended	quarter ended	31/12/2015	31/12/2014
(Refer Notes Below)		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1.	Income from operations					
	Net sales/ Income from operations	7,565	7,490	7,148	27,948	28,695
	Total Income from operations (net)	7,565	7,490	7,148	27,948	28,695
2.	Expenses					
	a) Employee benefits expenses	4,018	4,159	4,029	17,101	16,942
	b) Project work expenses	1,215	477	1,635	2,678	4,461
	c) Exchange loss / (gain)	3	(148)	15	(183)	50
	d) Depreciation and amortisation expense	102	90	150	420	477
	l) Other expenses	1,393	1,423	2,797	5,388	7,207
	Total Expenses	6,731	6,001	8,626	25,404	29,137
3.	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	834	1,489	(1,478)	2,544	(442)
4.	Other income	462	259	1,693	1,338	2,367
5.	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	1,296	1,748	215	3,882	1,925
6.	Finance costs	4	5	5	19	20
7.	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	1,292	1,743	210	3,863	1,905
8.	Exceptional items (Profit) / Loss	-	-	(1,095)	-	(1,268)
9.	Profit / (Loss) from ordinary activities before tax (7-8)	1,292	1,743	1,305	3,863	3,173
10.	Tax expense / (credit)	274	335	(33)	943	662
11.	Net Profit / (Loss) for the period (9-10)	1,018	1,408	1,338	2,920	2,511
12.	Paid up equity share capital (Face value per share Rs 10/-)	11,140	11,140	11,140	11,140	11,140
13.	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year (includes debit balance of profit & loss a/c, if any)	-	-	-	22,157	19,286
14.	Earning / (Loss) per share (of Rs 10/- each) (not annualised)					
	(a) Basic	0.91	1.26	1.20	2.62	2.25
	(b) Diluted	0.91	1.26	1.20	2.62	2.25

Xchanging Solutions Limited		(Rs in lakhs)	
Consolidated Statement of Assets and Liabilities		As at	As at
Particulars		31/12/2015	31/12/2014
EQUITY AND LIABILITIES			
Shareholders' funds			
	(a) Share capital	11,140	11,140
	(b) Reserves and surplus	22,157	19,286
	Sub-total - Shareholders' funds	33,297	30,426
Non-current liabilities			
	(a) Long-term borrowings	91	158
	(b) Other long-term liabilities	35	32
	(c) Long-term provisions	617	567
	Sub-total - Non-current liabilities	743	757
Current liabilities			
	(a) Trade payables	2,634	3,550
	(b) Other current liabilities	1,458	3,368
	(c) Short-term provisions	3,095	2,810
	Sub-total - Current liabilities	7,187	9,728
	TOTAL - EQUITY AND LIABILITIES	41,227	40,911
ASSETS			
Non-current assets			
	(a) Fixed assets	16,358	16,609
	(b) Deferred tax assets	703	997
	(c) Long-term loans and advances	4,331	4,116
	(d) Other non-current assets	110	134
	Sub-total - Non-current assets	21,502	21,856
Current assets			
	(a) Trade receivables	4,582	6,656
	(b) Cash and bank balances	10,814	7,541
	(c) Short-term loans and advances	557	862
	(d) Other current assets	3,772	3,996
	Sub-total - Current assets	19,725	19,055
	TOTAL - ASSETS	41,227	40,911



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Notes to above results :

1. a) The above financial results of Xchanging Solutions Limited (the Company) and its subsidiaries (the Group) have been reviewed and recommended by the Audit Committee and approved by the Board of Directors on February 26, 2016.
b) The Board of Directors in their meeting held on 27th February 2015 approved to reduce the paid-up share capital of the Company from Rs. 10/- to Rs. 5/- per share. The corresponding application for the same was filed with the Stock Exchanges (BSE & NSE) on 27th March 2015 and accordingly, the Company obtained No Objection / Observation Letter to the Reduction of Capital from the BSE and NSE vide their letters dated 24th June, 2015 and 2nd July, 2015 respectively. However, due to expiry of validity period of aforesaid approvals, it is therefore, now proposed not to proceed with the capital reduction process.
2. The Company has only one primary segment viz., Information Technology (IT) services and accordingly the above results relate to this segment.
3. On August 1, 2002, the Company issued 1,500,000, 11% debentures of face value of Rs. 100 each. The debentures were repayable at par at the end of five years from the date of issuance. Based on the orders of the Debt Recovery Tribunal, the Company had issued duplicate debenture certificates for 625,000 debentures in favour of a Bank and these debentures were redeemed in June 2007. Post redemption of these debentures, a civil suit was filed against the Company by Third Party claiming rights over the said 625,000 debentures. Decision on this suit is still pending before Hon'ble Madras High Court. On the basis of an interim application filed by the Third Party, the Hon'ble High Court passed an Interim Order in restraining the Company from reflecting the redemption of debentures and directing the Company to continue to show it as due and payable. The Company has filed an appeal against the interim order, pending which no adjustment has been made in these accounts.
4. In the ordinary course of business, the Company is subject to legal proceedings, claims and litigation. Xchanging Solutions Limited and its USA subsidiary, Xchanging Solution USA Inc., ("XSUI") is currently a defendant in a claim for an unspecified amount alleging a breach of warranties in the USA. The claim in question relates to a contract that was awarded to XSUI in 2006 and was subsequently sold by XSUI in 2007 to the claimant. The litigation is a fact intensive case for which the fact discovery and proceedings are ongoing in USA. Based on the facts produced and reviewed to date and legal advice thereon, the Company believes it is not probable that the claim will be successful. Therefore, no provision is required to be made at this stage.
5. The amounts for the previous periods have been reclassified wherever necessary to conform to the current period presentation.

Place : Gurgaon, India

Date : February 26, 2016




Alok K Sinha
Executive Director &
Chief Executive Officer