



Xehangng Solutions Limited  
Xehangng Tower, 6JF I Park, Opp. Satya Sai Hospital, 18,14,16, EPIP Park, Whitefield, Bangalore-560086

PART I					
Statement of Standalone Unaudited Results for the Quarter Ended 31/03/2014 (Rs in Lakhs)					
Sl. No.	Particulars	3 months ended 31/03/2014	Preceding 3 months ended 31/12/2013	Corresponding 3 months ended 31/03/2013 in the previous year	Previous year ended 31/12/2013
	(Refer Notes Below)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Income from operations				
	Net sales/ income from operations	3,519	3,047	2,496	11,211
2.	Total Income from operations (net)	3,519	3,047	2,496	11,211
	Expenses				
a)	Employee benefits expense	2,144	1,798	1,513	6,490
b)	Project work expense	234	119	96	583
c)	Exchange loss/(gain)	193	(10)	108	(777)
d)	Depreciation and amortisation expense	104	123	99	434
e)	Other expense	864	967	572	2,054
	Total Expense	3,509	2,997	2,388	9,834
3.	Profit from operations before other income, finance costs and exceptional items (1-3)	10	60	107	1,587
4.	Other income	188	666	119	1,163
5.	Profit from ordinary activities before finance costs and exceptional items (3+4)	172	726	222	2,750
6.	Finance costs	6	6	4	17
7.	Profit from ordinary activities after finance costs but before exceptional items (5-6)	167	721	218	2,733
8.	Exceptional items	-	(168)	-	(185)
9.	Profit (+) / Loss (-) from ordinary activities before tax (7-8)	167	553	218	2,548
10.	Tax expense	87	(336)	206	744
11.	Net Profit (+) / Loss (-) for the period (9-10)	70	1,221	10	2,194
12.	Paid up equity share capital (Face value per share Rs 10/-)	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)				5,828
14.	Earning / (Loss) per share (of Rs 10/- each) (not annualised)				
	(a) Basic	0.06	1.10	0.01	1.93
	(b) Diluted	0.06	1.10	0.01	1.93

PART II					
Select Information for the Quarter ended 31/03/2014					
	Particulars	3 months ended 31/03/2014	Preceding 3 months ended 31/12/2013	Corresponding 3 months ended 31/03/2013 in the previous year	Previous year ended 31/12/2013
A	<b>PARTICULARS OF SHAREHOLDING</b>				
1.	Public shareholding				
	- Number of Shares	27,850,929	27,850,929	27,850,929	27,850,929
	- Percentage of shareholding	25.00%	25.00%	25.00%	25.00%
2.	Promoters and promoter group shareholding				
a.	Pledged / Encumbered				
	- Number of Shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoters 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	83,562,787	83,562,787	83,562,787	83,562,787
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total shareholding of the total share capital of the Company)	76.00%	75.00%	75.00%	76.00%
B	<b>INVESTOR COMPLAINTS</b>	3 months ended 31/03/2014			
	Pending at the beginning of the quarter	Nil			
	Received during the quarter	Nil			
	Disposed of during the quarter	Nil			
	Remaining unresolved at the end of the quarter	Nil			

- Notes to above results :
- The above financial results of Xehangng Solutions Limited (the Company) have been reviewed and recommended by the Audit Committee, and approved by the Board of Directors on May 15, 2014 and a limited review has been carried out by the statutory auditors of the Company.
  - The Company has only one primary segment viz., Information Technology (IT) services and accordingly the above results relate to this segment.
  - Exceptional items of Rs. 168 for previous quarter relates to reversal of provision for portion of the security deposit made in prior years.
  - The figures of preceding 3 months ended December 31, 2013 are the balancing figures between audited figures in respect of the full financial year ended and December 31, 2013 the published year to date figures for the 9 months ended September 30, 2013.
  - 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.
  - The amounts for the previous period have been reclassified wherever necessary to conform to the current period's presentation.

Place : London, United Kingdom  
Date : May 15, 2014

By Order of Board

David Baumeind  
Executive Director

The Board of Directors  
Xchanging Solutions Limited  
SJR I-Park Plot No. 13, 14, 15  
EPIP Industrial Area, Phase I, Whitefield  
Bangalore - 560 066

1. We have reviewed the results of Xchanging Solutions Limited (the "Company") for the quarter ended March 31, 2014 which are included in the accompanying 'Statement of Unaudited Financial Results for the Quarter ended March 31, 2014' (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in the Statement from the disclosures made by the Management and are, therefore, not expressing a review opinion thereon.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to Note 5 on the Statement, regarding redemption of certain debentures, aggregating to Rs. 62,500,000, by the Company in the year 2007; subsequent order of the Hon'ble High Court of adjudicature at Madras restraining the Company from reflecting the redemption of debentures and to continue to show it as due and payable consequent to a petition filed by a third party; and non-reversal of the aforesaid redemption of debentures in the books of account of the Company pending admission and disposal of the appeal filed by the Company with the Hon'ble High Court of adjudicature at Madras on July 26, 2011. Depending on the outcome of the Company's appeal, significant adjustments may be required to be made and reflected in the subsequent period financial reporting. Our conclusion is not qualified in this respect.

For Price Waterhouse,  
Firm Registration Number: 012754N  
Chartered Accountants

  
Charan S. Gupta  
Partner  
Membership Number: 093044

Place: Gurgaon  
Date: May 15, 2014