



KALE CONSULTANTS LIMITED
Registered Office: Kale Enclave, 685/2B & 2C, 1st Floor, Sharada Arcade, Satara Road, Pune - 411 037
www.kaleconsultants.com

AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND FIFTEEN MONTHS ENDED JUNE 30, 2011

(Rs. in Lakhs)

Sr.	Particulars	Quarter Ended		15 months ended	12 months ended
		June 30, 2011	June 30, 2010	June 30, 2011	March 31, 2010
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	a. Net Sales / Income from operations	4,380.04	4,222.60	22,109.03	16,592.03
	b. Other Operating Income	-	-	-	-
2	Expenditure :				
	a. Employees Cost	2,390.14	2,347.49	11,472.73	8,126.77
	b. Other Expenditure	1,410.52	1,330.45	6,549.88	4,786.11
	c. Depreciation, Amortisation and Impairment	238.66	268.03	1,670.98	1,396.86
	d. Product Development Cost	(96.88)	(128.21)	(341.17)	(311.47)
	Total	3,942.44	3,817.76	19,352.42	13,998.27
3	Profit From Operations before Other Income, Interest and Exceptional Items (1-2)	437.60	404.84	2,756.61	2,593.76
4	Other Income	102.24	130.52	454.43	104.47
5	Profit before Interest and Exceptional Item (3+4)	539.84	535.36	3,211.04	2,698.23
6	Interest	37.03	18.68	99.43	106.97
7	Profit after Interest, but Before Exceptional Item (5-6)	502.81	516.68	3,111.61	2,591.26
8	Exceptional Items (Net)	-	105.10	(341.45)	218.13
9	Profit (+) / Loss (-) from Ordinary Activities before Tax (7+8)	502.81	621.78	2,770.16	2,809.39
10	Tax Expense	194.25	10.67	299.44	179.80
11	Net Profit (+) / Loss (-) from Ordinary Activities after Tax (9-10)	308.56	611.10	2,470.72	2,629.59
12	Extraordinary Items (net of Tax Expense Rs. NIL)	-	-	-	-
13	Net Profit (+) / Loss (-) for the period (11-12) before prior period item	308.56	611.10	2,470.72	2,629.59
14	Prior Period Item	1.15	19.46	(346.05)	12.28
15	Net Profit (+) / Loss (-) for the period (13+14)	309.71	630.57	2,124.67	2,641.87
16	Paid up Equity Share Capital (Face Value of Rs.10 each)	1,588.07	1,468.98	1,588.07	1,381.46
17	Reserves Excluding Revaluation Reserve			12,846.92	10,852.36
18	Earnings Per Share (EPS) Not annualised (Rs.)				
	Before Extraordinary items				
	Basic	1.91	4.44	13.70	19.45
	Diluted	1.91	4.22	13.70	18.09
	After Extraordinary items				
	Basic	1.91	4.44	13.70	19.45
	Diluted	1.91	4.22	13.70	18.09
19	Public Shareholding				
	No of Shares	10,888,879	9,019,684	10,888,879	8,870,066
	% of Shareholding	68.57%	61.40%	68.57%	64.21%
20	Promoters and Promoter Group Shareholding				
	a) Pledged/Encumbered				
	Number of shares	-	720,462	-	720,462
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.00%	12.71%	0.00%	14.57%
	Percentage of shares (as a % of the total share capital of the company)	0.00%	4.90%	0.00%	5.22%
	b) Non-encumbered				
	Number of shares	4,991,208	4,949,016	4,991,208	4,223,491
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	87.29%	100.00%	85.43%
	Percentage of shares (as a % of the total share capital of the company)	31.43%	33.70%	31.43%	30.57%

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STATEMENT OF ASSETS AND LIABILITIES

Sr.	Particulars	(Rs. in Lakhs)	
		As at	As at
		June 30, 2011 (Audited)	March 31, 2010 (Audited)
1	Shareholders Fund		
	a. Share Capital	1,588.07	1,381.46
	b. Reserves and Surplus	12,846.92	10,852.36
	c. Partly Paid Warrants	-	79.81
	Minority Interest	158.39	191.97
2	Loan Funds	138.86	460.00
	Total	14,732.24	12,965.60
1	Goodwill	3,373.16	3,710.17
2	Fixed Assets	1,994.57	3,110.64
	Investments	0.60	0.60
4	Deferred Tax Asset (net)	597.90	106.99
5	Current Assets, Loans and Advances		
	a. Sundry Debtors	5,100.70	4,586.56
	b. Cash and Bank Balances	4,157.89	3,474.87
	c. Other Current Assets	41.82	18.51
	d. Loans and Advances	2,833.10	1,777.70
	Less: Current Liabilities and Provisions		
	a. Current Liabilities	2,316.20	3,153.79
	b. Provisions	1,051.30	666.66
	Net Current Assets	8,766.01	6,037.20
	Total	14,732.24	12,965.60

1	The Company has changed its financial year end from March 31, 2011 to June 30, 2011 as a result of which the current financial results for a period of fifteen months i.e from April 1, 2010 to June 30, 2011.
2	The above audited consolidated results for the quarter and fifteen months ended June 30, 2011 have been approved by the Board at its meeting held on July 29, 2011. The information presented above is extracted from the audited financial statements as stated.
3	The Promoters have sold and transferred 4,989,708 equity shares of the Company to Accelya Holding World S.L("Accelya"), on July 7, 2011 in accordance with the Share Purchase Agreement dated September 9, 2010. Consequent to the transfer Accelya holds 70.17% of equity shares in the Company and has become promoters of the Company in place of Mr. Narendra Kale, Mrs. Nanda Kale, Ms. Neha Kale, Mr. Sudhir Kale, Mr. Vipul Jain, Vipul Jain HUF and Mrs. Shibani Jain who have ceased to be the promoters. These changes are not reflected in Sr. No. 19 "Public Shareholding" and Sr. No. 20 "Promoters and Promoters Group Shareholding" since the same is effective from July 7, 2011.
4	The Board of Directors of the Company has been reconstituted on July 7, 2011. Mr. Philippe Lesueur has been appointed as Chairman and Director of the Company in place of Mr. Narendra Kale, who has resigned. Mr. Sekhar Natarajan and Mr. Bahram Vakil have been appointed as Independent Directors in place of Mr. Prabhakar Deodhar and Mr. Pravin Gandhi who have resigned from the Board. Mr. Vipul Jain continues to be the Managing Director and Mr. Kewal Nohria continues to be an Independent Director.
5	During the previous quarter ended March 31, 2011, the Company has changed its policy for recognition of revenue from sale of license fee, implementation and customization services from a billing / milestone based method to a proportionate completion method, effective April 1, 2010. Had the Company continued to apply the earlier policy for revenue recognition, the revenue for the current quarter and fifteen months ended June 30, 2011 would have been higher by Rs. 411.38 lakhs and lower by Rs. 50.81 lakhs respectively. The results for the quarter and for the fifteen months ended June 30, 2011 reflect the impact of the new policy.
6	During the previous quarter, effective April 1, 2010, the Company changed its method of providing depreciation on certain fixed assets, from the Written Down Value ("WDV") method at the rates prescribed in Schedule XIV to the Companies Act, 1956, to Straight Line Method (SLM) at the rates based on management's estimates of useful life of the fixed assets. Had the Company continued to use the earlier basis of providing for depreciation charge, the depreciation charge for the current quarter and the fifteen month period ended June 30, 2011 would have been higher by Rs. 4.88 lakhs and lower by Rs. 14.39 lakhs, respectively, and the net block of fixed assets would correspondingly have been higher by Rs. 14.39 lakhs. The results for the quarter and for the fifteen months ended June 30, 2011 reflect the impact of the new policy.
7	Pursuant to reassessment of its internal policy of capitalising expenditure on software development, the written down value of certain internally developed software amounting to Rs. 48.72 lakhs has been fully amortised in the current quarter ended June 30, 2011.
8	There were no investor complaints pending at the beginning of the quarter. The Company received five complaints during the quarter, all of which have been resolved and there are NIL complaints at the end of the quarter.
9	The Company is an integrated business unit which addresses the travel and transportation vertical. This, in context of Accounting Standard 17 (AS 17) on Segmental Reporting, is considered to constitute one single primary segment.
10	The Statutory Auditor of the Company M/s. D.G. Kurundwadkar, Chartered Accountant, resigned during the year due to personal reasons and thereafter, the shareholders of the Company, appointed B S R & Co., Chartered Accountants, as Statutory Auditors of the Company for the current financial year.

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11	The Board of Directors of the Company, at its meeting held on September 6, 2010, passed a resolution approving the sale of the Logistics Business to Kale Logistics Solutions Private Limited, as a going concern, on slump sale basis with effect from October 1, 2010. This has resulted in a one time loss on disposal of Rs. 446.55 lakhs, which has been treated as an Exceptional Item. Consequent to the sale of the Logistics Business, the results of the current quarter are not comparable with the corresponding previous quarter.
12	An amount of Rs. 105.10 lakhs was received during the year ended March 31, 2010 from Kale Technologies Limited, UK, a subsidiary of the Company, which was wound up during the year. This amount represents surplus over the investments made by the Company and has been treated as an Exceptional Item.
13	The Company has sold its entire shareholding in Synetairos Technologies Limited, a subsidiary of the Company on July 1, 2011 to Saksoft Limited as per the Share Purchase Agreement dated July 1, 2011, which has resulted into a gain of Rs. 76.88 lakh. This gain will be accounted during the quarter ending September 30, 2011.
14	The Board of Directors has recommended a dividend of Rs. 2/-per equity share subject to the approval of the shareholders at the ensuing Annual General Meeting.
15	The results for the period ended June 30, 2011 are for a fifteen month period (April 1, 2010 to June 30, 2011) hence the same is not comparable with the results of the the previous year ended March 31, 2010. Figures for the previous quarter and fifteen month have been regrouped/restated, wherever applicable.

For Kale Consultants Limited

Vipul Jain
Managing Director

Place: Mumbai
Date : July 29, 2011