

Sparsh BPO Services Limited
Financial results for the Quarter and Half Year Ended September 30, 2008

Rs. In Lacs (except per share data)

Particulars	Quarter Ended 30th September, 2008 (Unaudited)	Quarter Ended 30th September, 2007 (Unaudited)	Half Year Ended 30th September, 2008 (Unaudited)	Half Year Ended 30th September, 2007 (Unaudited)	Year Ended 31st March, 2008 (Audited)
Operating income	5,307.52	3,780.90	10,457.09	6,904.86	16,102.22
Total Income	5,307.52	3,780.90	10,457.09	6,904.86	16,102.22
Personnel cost	3,268.53	2,265.55	6,394.76	4,055.66	9,578.58
Depreciation and amortisation	549.38	386.90	1,063.49	711.14	1,600.41
Other expenditure	1,515.32	796.71	2,630.94	1,568.84	3,925.78
Profit/(Loss) from Operations before					
Other Income and Interest	(25.71)	331.74	367.90	569.22	997.45
Other income	1.15	10.52	1.49	33.28	21.89
Profit/(Loss) before Interest	(24.56)	342.26	369.38	602.50	1,019.34
Interest	404.97	175.23	774.35	315.26	820.06
Profit/(Loss) from Ordinary Activities	(429.54)	167.03	(404.97)	287.24	199.28
Provision for taxation					
- Current tax - Minimum alternate tax/(Write back)	(2.62)	35.04	0.00	39.10	15.49
Less:(Minimum alternate tax entitlement)/Reversed	2.62	(35.04)	0.00	(39.10)	(15.49)
- Deferred tax	4.02	54.85	26.07	57.33	157.11
- Fringe benefit tax	2.84	4.62	4.32	5.60	12.89
Net profit/(loss) for the period	(436.40)	107.56	(435.36)	224.31	29.28
Paid-up equity share capital					
(Face value Rs.10/- per share)	1,614.75	1,614.75	1,614.75	1,614.75	1,614.75
Reserves excluding revaluation reserves	-	-	-	-	-
Basic and diluted EPS (Rs., not annualised)	(2.70)	0.67	(2.70)	1.39	0.18
Public shareholding :					
No. of shares	4,682,775	7,912,275	4,682,775	7,912,275	7,912,275
% of shareholding	29.00%	49.00%	29.00%	49.00%	49.00%

Notes:

- During the quarter under review, the company has early adopted the Accounting Standard - AS 30 "Financial Instrument: Recognition and Measurement", to the extent the adoption does not conflict with existing mandatory Accounting Standards and other authoritative pronouncements, the Company Law and other regulatory requirements. In accordance with the transitional provision, the fair value gain of Rs. 6,038,927 (net of deferred tax) as at April 1, 2008 in respect of derivative instrument has been taken to opening balance of profit and loss account. The fair value gain of Rs. 21,396,484 for the current quarter & fair value loss of Rs. 1,157,243 for the previous quarter have been recognized in Profit & Loss Account of the current quarter. The earlier policy was to ignore the gain and to recognize the loss. On account of this change the loss before tax for the current quarter and the half year ended on 30th September 2008 is lower by Rs. 20,239,241. The Company has during the current quarter also accounted for exchange loss of Rs. 51,616,342, ascertained using the closing exchange rate in accordance with Accounting Standard 11 - "The Effects of Changes in Foreign Exchange Rates".
- The Company is primarily engaged in the business of "business process outsourcing" and accordingly there are no separate reportable segments as per the Accounting Standard on Segment Reporting (AS 17)
- Status of investor Complaints for the quarter ended September 30, 2008: Beginning - NIL, Received - 3, Disposed off - 3 and Pending - NIL .
- The corresponding figures of the previous year have been regrouped, rearranged and reclassified wherever necessary to confirm to current year's classification.
- The above results have been subjected to a 'Limited Review' by the Statutory Auditors of the Company as per requirements of Clause 41 of the listing agreement with the stock exchange, Mumbai and have been reviewed by Audit Committee and thereafter approved by the Board of Directors of the Company at the respective meeting held on October 21, 2008.

For Sparsh BPO Services Limited
Mumbai
October 21, 2008
Susir Kumar M.
Director