

UN-AUDITED FINANCIAL RESULTS FOR THE 9 MONTHS & QUARTER ENDED DECEMBER 31, 2009
(Rs. in lacs)

Particulars	Consolidated					SQL Star International Ltd (Stand alone)				
	Quarter Ended		9 Months ended		Year ended	Quarter Ended		9 Months ended		Year ended
	31-Dec-09 Un-audited	31-Dec-08 Un-audited	31-Dec-09 Un-audited	31-Dec-08 Un-audited	31-Mar-09 Audited	31-Dec-09 Un-audited	31-Dec-08 Un-audited	31-Dec-09 Un-audited	31-Dec-08 Un-audited	31-Mar-09 Audited
INCOME:										
- Sales/Income from Operations	1,446.89	2,247.47	4,734.76	6,832.61	8,685.35	712.86	1,086.65	2,418.82	3,321.29	4,208.90
Total	1,446.89	2,247.47	4,734.76	6,832.61	8,685.35	712.86	1,086.65	2,418.82	3,321.29	4,208.90
EXPENDITURE :										
- Staff Cost	858.33	1,265.00	2,701.04	3,974.27	5,378.91	275.72	327.28	807.61	1,070.49	1,400.66
- Other Expenditure	278.49	345.09	798.53	1,057.67	1,401.75	213.62	209.73	599.08	663.51	969.78
- Direct & Outsourcing	259.05	501.63	958.37	1,383.71	1,649.31	165.65	477.68	811.38	1,298.84	1,649.31
- Depreciation	56.04	111.44	171.45	310.70	423.08	54.90	58.45	168.31	170.26	217.42
Total	1,451.91	2,223.16	4,629.39	6,726.35	8,853.05	709.89	1,073.14	2,386.38	3,203.10	4,237.17
Profit/(Loss) from Operations before Other income, Interest & Exceptional items	(5.02)	24.31	105.37	106.26	(167.70)	2.97	13.51	32.44	118.19	(28.27)
- Other Income	10.33	6.06	73.94	33.76	33.15	2.31	6.08	49.50	33.02	32.25
Profit/(Loss) before Interest & Exceptional items	5.31	30.37	179.31	140.02	(134.55)	5.28	19.59	81.94	151.21	3.98
- Interest	30.13	61.74	108.25	177.67	175.90	23.85	48.14	89.39	140.88	125.51
Profit/(Loss) After Interest but before Exceptional items	(24.82)	(31.37)	71.06	(37.65)	(310.45)	(18.57)	(28.55)	(7.45)	10.33	(121.53)
- Exceptional Items	-	-	-	-	2,692.49	-	-	-	-	2,692.49
Profit/(Loss) from Ordinary Activities before Tax	(24.82)	(31.37)	71.06	(37.65)	(3,002.94)	(18.57)	(28.55)	(7.45)	10.33	(2,814.02)
Tax Expenses	1.11	12.30	(17.04)	28.41	270.29	4.98	(21.20)	15.82	256.31	
Profit/(Loss) from Ordinary Activities after Tax	(25.93)	(43.67)	88.10	(66.06)	(3,273.23)	(18.57)	(33.53)	13.75	(5.49)	(3,070.33)
Extraordinary Items (net of tax expenses)	-	-	-	-	-	-	-	-	-	-
Net Profit/(Loss) for the period	(25.93)	(43.67)	88.10	(66.06)	(3,273.23)	(18.57)	(33.53)	13.75	(5.49)	(3,070.33)
Paid-up Equity Capital (Face value of Rs 10/- each)	3,232.98	2,180.48	3,232.98	2,180.48	2,180.48	3,232.98	2,180.48	3,232.98	2,180.48	2,180.48
Reserves Excluding Revaluation Reserves (as per Audited Balance Sheet)	-	-	-	-	(1,257.02)	-	-	-	-	(313.23)
Earnings Per Share										
Before Extra-ordinary Item										
- Basic	(0.11)	(0.20)	0.38	(0.30)	(2.66)	(0.08)	(0.15)	0.06	(0.03)	(1.733)
- Diluted	(0.10)	(0.19)	0.35	(0.29)	-	(0.07)	(0.15)	0.06	(0.02)	-
After Extra-ordinary Item										
- Basic	(0.11)	(0.20)	0.38	(0.30)	(15.01)	(0.08)	(0.15)	0.06	(0.03)	(14.08)
- Diluted	(0.10)	(0.19)	0.35	(0.29)	-	(0.07)	-	0.06	(0.02)	-
Public Shareholding										
- No. of Shares	18,407,464	14,707,464	18,407,464	14,707,464	14,707,464	18,407,464	14,707,464	18,407,464	14,707,464	14,707,464
- Percentage of Shareholding	56.95%	67.47%	56.95%	67.47%	67.47%	56.95%	67.47%	56.95%	67.47%	67.47%
Aggregate of Public Shareholding										
Promoters and Promoter group shareholding										
a) Pledged / Encumbered										
- Number of Shares	3,350,000	-	3,350,000	-	3,350,000	3,350,000	-	3,350,000	-	3,350,000
- Percentage of Shares (as a % of the total shareholding of Promoters and Promoter group)	24.07%	0.00%	24.07%	0.00%	47.23%	24.07%	0.00%	24.07%	0.00%	47.23%
- Percentage of Shares (as a % of the total share capital of the Company)	10.36%	0.00%	10.36%	0.00%	15.37%	10.36%	0.00%	10.36%	0.00%	15.37%
b) Non-encumbered										
- Number of Shares	10,567,536	7,092,536	10,567,536	7,092,536	3,742,536	10,567,536	7,092,536	10,567,536	7,092,536	3,742,536
- Percentage of Shares (as a % of the total shareholding of Promoters and Promoter group)	75.93%	100.00%	75.93%	100.00%	52.77%	75.93%	100.00%	75.93%	100.00%	52.77%
- Percentage of Shares (as a % of the total share capital of the Company)	32.69%	32.53%	32.69%	32.53%	17.16%	32.69%	32.53%	32.69%	32.53%	17.16%

UN-AUDITED SEGMENT-WISE REVENUE, RESULTS & CAPITAL EMPLOYED

(Rs. in lacs)

A) Primary Segment (By Business Segment)											
Sl. No.	Particulars	Consolidated					SQL Star International Ltd (Stand alone)				
		Quarter ended		9 Months ended		Year ended	Quarter ended		9 Months ended		Year ended
		31-Dec-09 Un-audited	31-Dec-08 Un-audited	31-Dec-09 Un-audited	31-Dec-08 Un-audited	31-Mar-09 Audited	31-Dec-09 Un-audited	31-Dec-08 Un-audited	31-Dec-09 Un-audited	31-Dec-08 Un-audited	31-Mar-09 Audited
1	Segment Revenue										
a.	Software Development & Services	900.28	1,410.86	2,809.90	4,295.48	5,458.54	166.24	250.04	493.96	784.34	982.09
b.	Education & Training	258.34	299.53	848.56	1,106.98	1,362.24	258.35	299.53	848.56	1,106.97	1,362.24
c.	e-Governance	288.27	537.08	1,076.30	1,430.15	1,864.57	288.27	537.08	1,076.30	1,429.98	1,864.57
	Total	1,446.89	2,247.47	4,734.76	6,832.61	8,685.35	712.86	1,086.65	2,418.82	3,321.29	4,208.90
	Less: Inter-segment Sales	-	-	-	-	-	-	-	-	-	-
	Net Sales	1,446.89	2,247.47	4,734.76	6,832.61	8,685.35	712.86	1,086.65	2,418.82	3,321.29	4,208.90
2	Segment Results										
	Profit/(Loss) before Tax and Interest from each segment										
a.	Software Development & Services	25.42	70.91	144.34	121.97	(10.10)	33.41	60.11	71.41	133.90	129.33
b.	Education & Training	(13.06)	(33.92)	33.43	87.50	25.69	(13.06)	(33.92)	33.43	87.50	25.69
c.	e-Governance	130.66	118.82	305.27	305.84	391.64	130.66	118.82	305.27	305.84	391.64
	Total	143.02	155.81	483.04	515.31	407.23	151.01	145.01	410.11	527.24	546.66
	Less:										
i)	Interest	30.13	61.74	108.25	177.67	175.90	23.85	48.14	89.39	140.88	125.51
ii)	Other Un-allocable Expenses	148.04	131.50	377.67	409.05	574.93	148.04	131.50	377.67	409.05	574.93
iii)	Un-allocable Income	(10.33)	(6.06)	(73.94)	(33.76)	(33.15)	(2.31)	(6.08)	(49.50)	(33.02)	(32.25)
	Total Profit Before Tax	(24.82)	(31.37)	71.06	(37.65)	(310.45)	(18.57)	(28.55)	(7.45)	10.33	(121.53)
3	Capital Employed										
a.	Software Development & Services	1,746.42	3,817.83	1,746.42	3,817.83	1,916.66	179.74	240.72	179.74	240.72	288.48
b.	Education & Training	824.61	869.99	824.61	869.99	800.85	824.61	869.99	824.61	869.99	800.85
c.	e-Governance	1,038.42	612.37	1,038.42	612.37	716.19	1,038.42	612.37	1,038.42	612.37	716.19
d.	Un-allocated	908.54	867.08	908.54	867.08	591.24	1,803.80	867.08	1,803.80	867.08	1,486.50
	Total Capital Employed	4,517.99	6,167.27	4,517.99	6,167.27	4,024.94	3,846.57	2,590.16	3,846.57	2,590.16	3,292.02
B) Secondary Segment (By Geographical Segment)											
Segment Revenue											
Geographical Location											
		Quarter ended		9 Months ended		Year ended	Quarter ended		9 Months ended		Year ended
		31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08	31-Mar-09	31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08	31-Mar-09
- India		662.55	1,079.95	2,354.18	3,302.23	4,184.44	662.55	1,079.95	2,354.18	3,302.23	4,184.44
- Rest of the World		784.34	1,167.52	2,380.58	3,530.38	4,500.91	50.31	6.70	64.64	19.06	24.46

Notes:

- The financial results were reviewed by Audit Committee and approved by the Board of Directors in their meeting held on January 30, 2010.
- The consolidated financial results include un-audited results of International SQL Star Pte Ltd., Singapore; SQL Star International Inc., USA; the wholly owned subsidiaries of the Company and SQL Star International Pty. Ltd, Australia, the wholly owned subsidiary of SQL Star International Inc., USA.
- Pursuant to the requirements of Listing Agreement, the Statutory Auditors have carried out Limited Review of the financial results of Indian Operations for the quarter ended December 31, 2009.
- The Company operates in the following primary business segments viz., Software Development & Services, Education and Training, e-Governance and accordingly segmental reports have been disclosed.
- The Company has received 3 requests/grievances from the shareholders during the quarter ended December 31, 2009 and all of them have been resolved and there are no pending requests/grievances.
- During the Quarter, Company has allotted 1,05,25,000 Equity Shares of Rs 10/- each at a price of Rs 10.50 per share (Including Premium of Rs 0.50) on Preferential basis and 48,25,000 Share Warrants @ of Rs 10/- each at a price of Rs 10.50 per share (Including Premium of Rs 0.50) convertible into equity shares at price of Rs 10.50 per shares on Preferential basis.
- The Madhya Pradesh Agricultural Marketing Board has withheld dues to the Company from July '08 onwards aggregating to Rs. 22.73 Crores (out of which Rs. 16.47 Crores pertains to billing raised on behalf of outsourcing partner), citing reference to certain non-compliance of the Terms of the Project Agreement. The Company is advised by their counsel that the unlawful retention is not sustainable and the dispute is referred to Arbitration. The ultimate adverse impact, if any, is not quantifiable at this stage.
- Figures of the previous year/period have been regrouped and/or re-classified or recast or re-arranged wherever considered necessary.

By Order of the Board,
For SQL STAR INTERNATIONAL LTD.,