

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2009

(Rs. in lacs)

Particulars	CONSOLIDATED		SQL Star International Ltd (Stand alone)	
	Year ended		Year ended	
	31.Mar.2009	31.Mar.2008	31.Mar.2009	31.Mar.2008
	Audited	Audited	Audited	Audited
INCOME:				
- Sales/Income from Operations	8,685.35	10,252.88	4,208.90	4,748.46
Total	8,685.35	10,252.88	4,208.90	4,748.46
EXPENDITURE :				
- Staff Cost	5,378.91	5,727.23	1,400.66	1,262.36
- Other Expenditure	1,401.75	1,456.74	969.78	866.40
- Direct & Outsourcing	1,649.31	2,131.75	1,649.31	2,131.75
- Depreciation	423.08	307.82	217.42	139.09
Total	8,853.05	9,623.54	4,237.17	4,399.60
Profit/(Loss) from Operations before Other income, Interest & Exceptional items	(167.70)	629.34	(28.27)	348.86
- Other Income	33.15	61.88	32.25	46.37
Profit/(Loss) before Interest & Exceptional items	(134.55)	691.22	3.98	395.23
- Interest	175.90	153.01	125.51	111.10
Profit/(Loss) After Interest but before Exceptional items	(310.45)	538.21	(121.53)	284.13
- Exceptional Items	2,692.49	-	2,692.49	-
Profit/(Loss) from Ordinary Activities before Tax	(3,002.94)	538.21	(2,814.02)	284.13
Tax Expenses	270.29	153.49	256.31	146.18
Profit/(Loss) from Ordinary Activities after Tax	(3,273.23)	384.72	(3,070.33)	137.95
Extraordinary Items (net of tax expenses)	-	-	-	-
Net Profit/(Loss) for the period	(3,273.23)	384.72	(3,070.33)	137.95
Paid-up Equity Capital (Face value of Rs.10/- each)	2,180.48	2,180.48	2,180.48	2,180.48
Reserves Excluding Revaluation Reserves (as per Audited Balance Sheet)	(1,257.02)	2,137.05	(313.23)	2,757.11
Earnings Per Share				
Before Extra-ordinary Item				
- Basic	(2.66)	1.77	(1.73)	0.63
After Extra-ordinary Item				
- Basic	(15.01)	1.77	14.08	0.63
Public Shareholding				
- No.of Shares	14,707,464	14,707,464	14,707,464	14,707,464
- Percentage of Shareholding	68%	68%	68%	68%
Aggregate of Public Shareholding				
Promoters and Promoter group shareholding				
a) Pledged / Encumbered				
- Number of Shares	3,350,000	-	3,350,000	-
- Percentage of Shares (as a % the total shareholding of Promoters and Promoter group)	47%	NIL	47%	NIL
- Percentage of Shares (as a % of the total share capital of the Company)	15%	NIL	15%	NIL
b) Non-encumbered				
- Number of Shares	3,742,536	7,092,536	3,742,536	7,092,536
- Percentage of Shares (as a % the total shareholding of Promoters and Promoter group)	53%	100%	53%	100%
- Percentage of Shares (as a % of the total share capital of the Company)	17%	32%	17%	32%

NOTES:

1.The financial results were reviewed by Audit Committee and approved by the Board of Directors in their meeting held on June 30, 2009.

**AUDITED SEGMENT-WISE REVENUE, RESULTS & CAPITAL EMPLOYED
FOR THE YEAR ENDED MARCH 31, 2009**

(Rs. in lacs)

A) Primary Segment (By Business Segment)

Sl. No.	Particulars	Consolidated		SQL Star International Ltd (Stand alone)	
		Year ended		Year ended	
		31.Mar.2009	31.Mar.2008	31.Mar.2009	31.Mar.2008
		Audited	Audited	Audited	Audited
1	Segment Revenue				
	a. Software Development & Services	5,458.54	6,609.32	982.09	1,104.90
	b. Education & Training	1,362.24	1,555.56	1,362.24	1,555.56
	c. e-Governance	1,864.57	2,088.00	1,864.57	2,088.00
	Total	8,685.35	10,252.88	4,208.90	4,748.46
	Less: Inter-segment Sales				
	Net Sales	8,685.35	10,252.88	4,208.90	4,748.46
2	Segment Results				
	Profit/(Loss) before Tax and Interest from each segment				
	a. Software Development & Services	(10.10)	400.57	129.33	110.53
	b. Education & Training	25.69	380.22	25.69	380.22
	c. e-Governance	391.64	317.07	391.64	317.07
	Total	407.23	1,097.86	546.66	807.82
	Less:				
	i) Interest	175.90	153.01	125.51	111.10
	ii) Other Un-allocable Expenses	574.93	468.52	574.93	458.96
	iii) Un-allocable Income	(33.15)	(61.88)	(32.25)	(46.37)
	Total Profit Before Tax	(310.45)	538.21	(121.53)	284.13
3	Capital Employed				
	a. Software Development & Services	4,805.12	1,170.43	288.48	769.73
	b. Education & Training	800.85	524.96	800.85	524.96
	c. E-Governance	716.19	530.41	716.19	530.41
	d. Un-allocated	591.24	4,238.16	1,486.50	4,239.10
	Total Capital Employed	6,913.40	6,463.96	3,292.02	6,064.20

B) Secondary Segment (By Geographical Segment)

Segment Revenue				
Geographical Location	Year ended	Year ended	Year ended	Year ended
	31.Mar.2009	31.Mar.2008	31.Mar.2009	31.Mar.2008
- India	4,184.44	4,721.53	4,184.44	4,721.53
- Rest of the World	4,500.91	5,531.35	24.46	26.93

- The consolidated financial results include audited results of International SQL Star Pte Ltd., Singapore, reviewed financial results of SQL Star International Inc., USA; the wholly owned subsidiaries of the Company and the audited results of SQL Star International Pty Ltd, Australia, the wholly owned subsidiary of SQL Star International Inc., USA.
- The Company operates in the following primary business segments, viz., Software Development & Services, Education & Training, e-Governance, and accordingly segmental reports have been disclosed.
- Exceptional items represents provision for permanent diminution in the value of investment in the USA Subsidiary owing to the global recession.
- No provision for current tax is made, there being no taxable income under normal computation as well as u/s. 115 JB of the Income Tax Act, 1961.
- Liability for deferred tax is recognized while Deferred Tax Asset is not recognized in accordance with Para 17 of AS 22.
- Diluted EPS is ignored as it is anti-dilutive.
- The Company has received 5 requests/grievances from the shareholders during the quarter ended March 31, 2009 and all of them have been resolved and there are no pending requests/grievances.

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

Sd/-
N.R. GANTI
Chairman & Managing Director

Place: Hyderabad
Date: June 30, 2009