

# SQL STAR INTERNATIONAL LIMITED

Regd. Office - # 601 & 602, 6th Floor, Ashok Bhoopal Chambers,  
No. 1-8-271, SP Road, Secunderabad - 500003



## Audited Financial Results for the Year ended March 31, 2011

(Rupees in Lakhs)

Particulars	CONSOLIDATED		STANDALONE	
	Year ended		Year ended	
	31-Mar-11 Audited	31-Mar-10 Audited	31-Mar-11 Audited	31-Mar-10 Audited
<b>INCOME:</b>				
- Sales/Income from Operations	3,938.68	5,381.01	1,778.16	2,545.59
<b>Total</b>	<b>3,938.68</b>	<b>5,381.01</b>	<b>1,778.16</b>	<b>2,545.59</b>
<b>EXPENDITURE :</b>				
- Staff Cost	2,927.38	3,462.61	1,035.17	1,077.96
- Other Expenditure	1,281.21	1,188.75	784.49	861.69
- Direct & Outsourcing	282.81	540.51	204.57	348.22
- Provisions	160.54	1,441.71	160.54	1,441.71
- Depreciation	215.75	830.68	190.75	820.59
<b>Total</b>	<b>4,867.69</b>	<b>7,464.26</b>	<b>2,375.51</b>	<b>4,550.17</b>
<b>Profit / (Loss) from Operations before Other Income, interest &amp; exceptional items</b>	<b>(929.01)</b>	<b>(2,083.25)</b>	<b>(597.35)</b>	<b>(2,004.58)</b>
- Other Income	86.91	132.10	71.16	90.47
<b>Profit/(Loss) before interest &amp; exceptional items</b>	<b>(842.10)</b>	<b>(1,951.15)</b>	<b>(526.19)</b>	<b>(1,914.11)</b>
- Interest	53.91	108.94	47.13	103.23
<b>Profit/(Loss) After Interest but before exceptional items</b>	<b>(896.01)</b>	<b>(2,060.09)</b>	<b>(573.32)</b>	<b>(2,017.34)</b>
- Exceptional Items	-	49.35	-	49.35
<b>Profit/(Loss) from Ordinary Activities before tax</b>	<b>(896.01)</b>	<b>(2,109.44)</b>	<b>(573.32)</b>	<b>(2,066.69)</b>
Tax Expenses	(39.51)	(234.62)	(45.05)	(238.47)
<b>Profit/(Loss) from Ordinary Activities after tax</b>	<b>(856.50)</b>	<b>(1,874.82)</b>	<b>(528.27)</b>	<b>(1,828.22)</b>
Extraordinary Items (net of tax expenses)	-	-	-	-
<b>Net Profit/(Loss) for the period</b>	<b>(856.50)</b>	<b>(1,874.82)</b>	<b>(528.27)</b>	<b>(1,828.22)</b>
<b>Paid up Equity Capital (Face Value of Rs.10/- each)</b>	<b>3,232.98</b>	<b>3,232.98</b>	<b>3,232.98</b>	<b>3,232.98</b>
<b>Reserves Excluding Revaluation Reserves (as per Audited Balance Sheet)</b>	<b>-</b>	<b>4,074.47</b>	<b>-</b>	<b>4,027.24</b>
<b>Earnings Per Share Before Extraordinary Item</b>				
- Basic	(2.65)	(8.11)	(1.63)	(7.00)
- Diluted				
<b>Earnings Per Share After Extraordinary Item</b>				
- Basic	(2.65)	(8.30)	(1.63)	(7.20)
- Diluted				
<b>Public Shareholding</b>				
- No. of Shares	19,874,814	18,420,189	19,874,814	18,420,189
- Percentage of Shareholding	61.48%	56.98%	61.48%	56.98%
<b>Aggregate of Public Shareholding</b>				
<b>Promoter &amp; Promoter group Shareholding</b>				
<b>a) Pledged/Encumbered</b>				
- Number of Shares	3,350,000	3,350,000	3,350,000	3,350,000
- Percentage of shares (as a % of total shareholding of promoters & promoters group)	26.91%	24.09%	26.91%	24.09%
- Percentage of shares (as a % of total Share Capital of the Company)	10.36%	10.36%	10.36%	10.36%
<b>b) Non-encumbered</b>				
- Number of Shares	9,100,186	10,554,811	9,100,186	10,554,811
- Percentage of shares (as a % of total shareholding of promoters & promoters group)	73.09%	75.91%	73.09%	75.91%
- Percentage of shares (as a % of total Share Capital of the Company)	28.15%	32.65%	28.15%	32.65%



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Audited Segment wise Revenue, Results and Capital Employed for the  
Year ended March 31, 2011

## A) Primary Segment (By Business Segment)

(Rupees in Lakhs)

S. No	Particulars	CONSOLIDATED		LTD (Stand alone)	
		Year ended		Year ended	
		31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
		Audited	Audited	Audited	Audited
1	<b>Segment Revenue</b>				
	a. Software Devl. & Services	2,581.75	3,428.28	421.23	592.86
	b. Education & Training	1,232.93	1,151.50	1,232.93	1,151.50
	c. E-Governance	124.00	801.23	124.00	801.23
	<b>Total</b>	<b>3,938.68</b>	<b>5,381.01</b>	<b>1,778.16</b>	<b>2,545.59</b>
	Less Inter segment sales				
	<b>Net Sales</b>	<b>3,938.68</b>	<b>5,381.01</b>	<b>1,778.16</b>	<b>2,545.59</b>
		-		-	
2	<b>Segment Results</b>				
	<b>Profit / (Loss) before Tax and Interest from each segment</b>				
	a. Software Devl. & Services	(379.01)	(22.48)	(47.35)	46.10
	b. Education & Training	100.78	(0.51)	100.78	(0.51)
	c. E-Governance	4.29	(120.20)	4.29	(120.20)
	<b>Total</b>	<b>(273.94)</b>	<b>(143.19)</b>	<b>57.72</b>	<b>(74.61)</b>
	Less :				
	i) Interest	53.91	108.94	47.13	103.23
	ii) Other un-allocable expenses	655.07	1,940.06	655.07	1,929.97
	iii) Un-allocable income	(86.91)	(132.10)	(71.16)	(90.47)
	iv) Extra Ordinary Items	-	49.35	-	49.35
	<b>Total Profit Before Tax</b>	<b>(896.01)</b>	<b>(2,109.44)</b>	<b>(573.32)</b>	<b>(2,066.69)</b>
		-	-	0.00	-
3	<b>Capital Employed</b>				
	a. Software Devl. & Services	235.35	644.62	74.79	198.08
	b. Education & Training	377.21	541.09	377.21	541.09
	c. E-Governance	1,242.00	1,182.30	1,242.00	1182.3
	d. Un-allocated	(69.11)	(223.29)	18.73	31.45
	<b>Total Capital Employed</b>	<b>1,785.45</b>	<b>2,144.72</b>	<b>1,712.72</b>	<b>1,952.92</b>
<b>B) Secondary Segment (By Geographical Segment)</b>					
	<b>Segment Revenue</b>				
	<b>Geographical Location</b>				
	- India	1,773.93	2,477.76	1,773.93	2,477.76
	- Rest of the World	2,164.75	2,903.25	4.23	67.83



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## Audited Statement of Assets and Liabilities as at March 31, 2011

(Rupees in Lakhs)

PARTICULARS	CONSOLIDATED		STANDALONE	
	Year Ended	Year Ended	Year Ended	Year Ended
	31-Mar-11	31-Mar-10	31-Mar-11	31-Mar-10
	Audited	Audited	Audited	Audited
<b>SOURCES OF FUNDS</b>				
<b>SHAREHOLDER'S FUNDS :</b>				
- Share Capital	3,232.98	3,232.98	3,232.98	3,232.98
- Share Application Money	-	-	-	-
- Share Warrants	144.75	144.75	144.75	144.75
- Resrves and Surplus	4,123.76	4,219.20	4,027.24	4,027.24
<b>Sub-Total</b>	<b>7,501.49</b>	<b>7,596.93</b>	<b>7,404.97</b>	<b>7,404.97</b>
<b>LOAN FUNDS</b>				
- Secured Loans	128.28	168.74	109.13	103.53
- Unsecured Loans	715.96	388.45	715.96	388.44
<b>Sub-Total</b>	<b>844.24</b>	<b>557.19</b>	<b>825.09</b>	<b>491.97</b>
<b>DEFERRED TAX</b>	<b>127.00</b>	<b>172.05</b>	<b>127.00</b>	<b>172.05</b>
<b>RESTATEMENT ON CONSOLIDATION</b>	<b>2,277.93</b>	<b>1,986.11</b>	-	-
<b>TOTAL</b>	<b>10,750.66</b>	<b>10,312.28</b>	<b>8,357.06</b>	<b>8,068.99</b>
<b>APPLICATION OF FUNDS</b>				
<b>FIXED ASSETS</b>	<b>480.63</b>	<b>622.15</b>	<b>382.21</b>	<b>559.04</b>
<b>INVESTEMENTS</b>	-	-	161.28	254.74
<b>CURRENT ASSETS, LOAND &amp; ADVANCES</b>				
- Inventories	11.45	15.83	11.45	15.83
- Sundry Debtors	2,881.06	2,904.55	2,529.06	2,511.79
- Cash and Bank Balances	252.22	223.97	193.89	142.76
- Loans and Advances	1,090.64	1,490.19	1,055.52	1,174.51
<b>Sub-Total</b>	<b>4,235.37</b>	<b>4,634.54</b>	<b>3,789.92</b>	<b>3,844.89</b>
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>				
- Current Liabilites	2,898.04	3,002.84	2,588.17	2,685.00
- Provisions	32.52	50.28	32.52	20.75
<b>Sub-Total</b>	<b>2,930.56</b>	<b>3,053.12</b>	<b>2,620.69</b>	<b>2,705.75</b>
<b>NET CURRENT ASSETS</b>	<b>1,304.81</b>	<b>1,581.42</b>	<b>1,169.23</b>	<b>1,139.14</b>
<b>PROFIT &amp; LOSS ACCOUNT</b>				
- Debit Balance in Profit & Loss Account	8,965.22	8,108.71	6,644.34	6,116.07
<b>TOTAL</b>	<b>10,750.66</b>	<b>10,312.28</b>	<b>8,357.06</b>	<b>8,068.99</b>



**Notes:**

- 1 The above Audited Financial Results for the Year ended March 31, 2011 were duly reviewed by Audit Committee were considered and approved by the Board of Directors at their meeting held on September 02, 2011
- 2 The Consolidated Financial Results include Audited Results of International M/s. SQL Star Pte Ltd., Singapore; and un-audited Financial reports of M/s. SQL Star International Inc., USA; the wholly owned subsidiaries of the Company and M/s. SQL Star International Pty. Ltd, Australia, the wholly owned subsidiary of M/s. SQL Star International Inc., USA.
- 4  
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.
- 5 The Company has received 01 requests/grievances from the shareholders during the Quarter ended March 31, 2011 and all of them have been resolved and there are no pending requests/grievances.
- 6 The Madhya Pradesh State Agricultural Marketing Board ("Mandi Board) has resorted to unilateral and unlawful termination of the Service Contract by their letter dated 17th Feb 2010 and withheld dues to the Company from April' 08 onwards aggregating to Rs. 28.77 Crores (out of which Rs. 20.22 Crores pertains to billing raised on behalf of outsourcing partner). The Company is advised by their Counsel that the unlawful retention is not sustainable and the dispute is referred to Arbitration.
- 7 Liability for deferred tax is recognized while deferred tax assets are not recognized in accordance with Para 17 AS 22.
- 8 Diluted EPS is ignored as it is anti-dilutive.
- 9 Figures of the previous year/period have been regrouped and/or re-classified or recast or re-arranged wherever considered necessary.

Place: Mumbai  
Dated: Sep 02, 2011

By Order of the Board,  
for SQL Star International Limited.,

  
(Sunil Gupta)

Co-Chairman and Managing Director

