



CALIFORNIA SOFTWARE COMPANY LTD

Regd office: Robert V Chandran Tower, Seventh Floor, # 149, Velachery Tambaram Main Road, Pallikaranai, Chennai-600 100
Unaudited Financial Results for the Quarter and Nine months for the year ended 31st December,2008

(All figures -Rs. In Crores except EPS and shareholding data)

| Sl. No | Particulars | CONSOLIDATED BASIS | | | | | STANDALONE BASIS | | | | |
|--------|--|----------------------------|---------------------------|----------------------------|---------------------------|--------------------|----------------------------|---------------------------|----------------------------|---------------------------|--------------------|
| | | UNAUDITED | | UNAUDITED | | AUDITED | UNAUDITED | | UNAUDITED | | AUDITED |
| | | FOR THE THREE MONTHS ENDED | FOR THE NINE MONTHS ENDED | FOR THE THREE MONTHS ENDED | FOR THE NINE MONTHS ENDED | FOR THE YEAR ENDED | FOR THE THREE MONTHS ENDED | FOR THE NINE MONTHS ENDED | FOR THE THREE MONTHS ENDED | FOR THE NINE MONTHS ENDED | FOR THE YEAR ENDED |
| | 31.12.2008 | 31.12.2007 | 31.12.2008 | 31.12.2007 | 31.03.2008 | 31.12.2008 | 31.12.2007 | 31.12.2008 | 31.12.2007 | 31.03.2008 | |
| 1 | (a)Sales/Services rendered | 66.98 | 55.55 | 190.19 | 169.58 | 234.57 | 19.56 | 16.60 | 55.39 | 43.67 | 71.00 |
| | (b)Other operating Income | | 0 | | 0 | 0 | | 0 | | 0 | |
| | Total Income | 66.98 | 55.55 | 190.19 | 169.58 | 234.57 | 19.56 | 16.60 | 55.39 | 43.67 | 71.00 |
| 2 | Expenditure | | | | | | | | | | |
| | a) (Increase) / Decrease in Work In Progress | | (1.52) | | (1.40) | 2.44 | | (1.52) | | (1.40) | 2.37 |
| | b) Purchases | 16.28 | 10.55 | 40.28 | 36.34 | 85.95 | 0.64 | 0.47 | 3.89 | 1.03 | 1.18 |
| | c) Employee Cost | 36.12 | 27.43 | 101.94 | 74.16 | 82.61 | 11.08 | 8.09 | 31.06 | 24.40 | 35.25 |
| | d) Other Expenditure | 17.17 | 15.27 | 48.82 | 45.78 | 42.62 | 6.00 | 5.49 | 16.31 | 13.72 | 20.06 |
| | e) Amortisation of Deferred Expenses | 1.75 | 0.25 | 2.50 | 0.52 | 0.00 | | 0.02 | | 0.07 | |
| | f) Depreciation | 1.47 | 0.87 | 6.05 | 2.36 | 2.91 | 0.95 | 0.28 | 4.67 | 0.98 | 1.44 |
| | Sub-Total Expenditure | 72.80 | 52.85 | 199.59 | 157.76 | 216.53 | 18.66 | 12.83 | 55.94 | 38.80 | 60.30 |
| 3 | Profit from operations before other income, Interest and Exceptional items | (5.82) | 2.70 | (9.39) | 11.82 | 18.04 | 0.90 | 3.77 | (0.55) | 4.87 | 10.70 |
| 4 | Other Income | 0.56 | 1.71 | 7.47 | 2.61 | 4.25 | 0.50 | 0.03 | 5.62 | 0.23 | 0.46 |
| 5 | Profit before Interest and Exceptional items | (5.25) | 4.41 | (1.92) | 14.43 | 22.29 | 1.40 | 3.80 | 5.07 | 5.10 | 11.16 |
| 6 | Interest & Finance Charges | 2.87 | 0.39 | 5.61 | 1.22 | 1.45 | 2.33 | 0.18 | 4.47 | 0.53 | 0.62 |
| 7 | Profit after Interest but before exceptional items | (8.12) | 4.02 | (7.54) | 13.21 | 20.84 | (0.93) | 3.62 | 0.60 | 4.57 | 10.54 |
| 8 | Exceptional items | 0 | 0 | 0 | 0 | 0 | | 0 | | 0 | 0 |
| 9 | Profit/(Loss) from ordinary activities before Taxation & Minority Interest Adjustments | (8.12) | 4.02 | (7.54) | 13.21 | 20.84 | (0.93) | 3.62 | 0.60 | 4.57 | 10.54 |
| 10 | Minority Interest adjustments for share of subsidiary Profits/(Losses) | (0.60) | (2.06) | (-1.91) | (0.18) | (0.78) | NA | NA | NA | NA | NA |
| 11 | Profit before tax from ordinary activities | (7.52) | 6.08 | (5.63) | 13.39 | 21.62 | (0.93) | 3.62 | 0.60 | 4.57 | 10.54 |
| 12 | Tax expense | | | | | | | | | | |
| | a) Current Tax (Including Fringe Benefits Tax) | 0.20 | 1.76 | 0.72 | 2.16 | 4.68 | (0.02) | 0.61 | 0.26 | 0.74 | 2.38 |
| | b) Deferred Tax | 0.11 | - | 0.67 | (0.08) | 1.05 | 0.11 | 0.67 | (0.08) | 0.92 | 0.24 |
| 13 | Net Profit from Ordinary activities after tax | (7.83) | 4.32 | (7.02) | 11.31 | 15.89 | (1.03) | 3.01 | (0.33) | 3.91 | 7.24 |
| 14 | Extraordinary items and prior period adjustments(net of tax expense Rs.) | 0 | 0 | 0 | 0 | 0.42 | 0 | 0 | 0 | 0 | 0 |
| 15 | Net Profit for the period | (7.83) | 4.32 | (7.02) | 11.31 | 15.47 | (1.03) | 3.01 | (0.33) | 3.91 | 7.24 |
| 16 | Paid-up Equity Share Capital (Face Value of the Share : Rs. 10) | 12.36 | 12.36 | 12.36 | 12.36 | 12.36 | 12.36 | 12.36 | 12.36 | 12.36 | 12.36 |
| 17 | Reserves excluding revaluation reserves | NR | NR | NR | NR | 91.46 | NR | NR | NR | NR | 94.27 |
| | as per balance sheet of previous accounting year | | | | | | | | | | |
| 18 | Earning Per Share for the period before extraordinary items (Rs.) | | | | | | | | | | |
| | i) Basic | -6.33 | 3.48 | -5.68 | 10.59 | 13.94 | -0.83 | 2.43 | -0.26 | 3.66 | 6.53 |
| | ii) Diluted | NA | NA | NA | NA | NA | NA | NA | NA | NA | - |
| 19 | Earning Per Share for the period after extraordinary items (Rs.) | | | | | | | | | | |
| | i) Basic | -6.33 | 3.48 | -5.68 | 10.59 | 13.94 | -0.83 | 2.43 | -0.26 | 3.66 | 6.53 |
| | ii) Diluted | NA | NA | NA | NA | NA | NA | NA | NA | NA | 0.00 |
| 20 | Aggregate of Public Shareholding : (as at period end) | | | | | | | | | | |
| | i) Number of Shares | 4,198,798 | 5,900,247 | 4,198,798 | 5,900,247 | 5,900,247 | 4,198,798 | 5,900,247 | 4,198,798 | 5,900,247 | 5,900,247 |
| | ii) Percentage of Shareholding | 33.96 | 47.72 | 33.96 | 47.72 | 47.72 | 33.96 | 47.72 | 33.96 | 47.72 | 47.72 |

NA=not applicable NR=not reported Amounts in brackets indicate negative figures

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED:

| Sl. No | Particulars | CONSOLIDATED BASIS | | | | | STANDALONE BASIS | | | | |
|--------|---|----------------------------|---------------------------|----------------------------|---------------------------|--------------------|----------------------------|---------------------------|----------------------------|---------------------------|--------------------|
| | | UNAUDITED | | UNAUDITED | | AUDITED | UNAUDITED | | UNAUDITED | | AUDITED |
| | | FOR THE THREE MONTHS ENDED | FOR THE NINE MONTHS ENDED | FOR THE THREE MONTHS ENDED | FOR THE NINE MONTHS ENDED | FOR THE YEAR ENDED | FOR THE THREE MONTHS ENDED | FOR THE NINE MONTHS ENDED | FOR THE THREE MONTHS ENDED | FOR THE NINE MONTHS ENDED | FOR THE YEAR ENDED |
| | 31.12.2008 | 31.12.2007 | 31.12.2008 | 31.12.2007 | 31.03.2008 | 31.12.2008 | 31.12.2007 | 31.12.2008 | 31.12.2007 | 31.03.2008 | |
| 1 | Segment Revenue : | | | | | | | | | | |
| | a) Product Engineering Services | 21.31 | 17.66 | 67.33 | 53.93 | 88.81 | 13.31 | 5.28 | 37.56 | 13.89 | 29.68 |
| | b) Enterprise Solutions | 45.67 | 37.89 | 122.86 | 115.65 | 145.76 | 6.25 | 11.32 | 17.82 | 29.78 | 41.32 |
| | c) Unallocated | - | - | - | - | - | - | - | - | - | - |
| | Sub-Total | 66.98 | 55.55 | 190.19 | 169.58 | 234.57 | 19.56 | 16.60 | 55.39 | 43.67 | 71 |
| | Less : Inter segment revenue | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Net sales/income from operations | 66.98 | 55.55 | 190.19 | 169.58 | 234.57 | 19.56 | 16.60 | 55.39 | 43.67 | 71 |
| 2 | Segment Results : | | | | | | | | | | |
| | Profit / (Loss) before tax and interest from each segment | | | | | | | | | | |
| | a) Product Engineering Services | 1.38 | 0.85 | 2.38 | 3.76 | 11.67 | 6.39 | 1.20 | 14.73 | 1.55 | 5.89 |
| | b) Enterprise Solutions | (7.20) | 1.63 | (-11.77) | 8.07 | 5.95 | 2.38 | 2.57 | 7.19 | 3.32 | 21.55 |
| | c) Unallocated | - | - | - | - | - | - | - | - | - | - |
| | Sub-total | -5.82 | 2.68 | -9.39 | 11.83 | 17.62 | 8.77 | 3.77 | 21.91 | 4.87 | 27.44 |
| | Less : (i) Interest & Finance Charges | 2.87 | 0.39 | 5.61 | 1.22 | 1.45 | 2.33 | 0.18 | 4.47 | 0.53 | 0.62 |
| | Add (ii) Other unallocated Income, net of un-allocable expenditure | 0.56 | 1.71 | 7.47 | 2.61 | 4.25 | (7.37) | 0.03 | (16.85) | 0.23 | (16.28) |
| | Total Profit/(Loss) Before Tax & minority Interest Adjustments | (8.12) | 4.02 | (7.54) | 13.21 | 20.84 | (0.93) | 3.62 | 0.60 | 4.57 | 10.55 |
| 3 | Capital Employed : | | | | | | | | | | |
| | a) Product Engineering Services | NR | NR | NR | NR | NR | NR | NR | NR | NR | NR |
| | b) Enterprise Solutions | NR | NR | NR | NR | NR | NR | NR | NR | NR | NR |
| | c) Unallocated | NR | NR | NR | NR | NR | NR | NR | NR | NR | NR |
| | Total Capital Employed | NR | NR | NR | NR | NR | NR | NR | NR | NR | NR |

NA=not applicable NR=not reported Amounts in brackets indicate negative figures

Notes :

Notes :

- The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on January, 30,2009 and the standalone results have been subject to a limited review by Statutory Auditors
- Consolidated financial results of the quarter /nine months include unaudited results of the company and all its subsidiaries.
- Since the segment wise capital employed figures are not practically possible to segregate , segment- wise capital employed is not reported.
- During the period, the group divested its stake in Team Frontline Ltd., Cochin, India.
- The useful life of computers has been re-estimated by the management and consequently depreciation rate has increased from 16.21% to 33.33%. As a result of this change, the depreciation charge has increased and the profit for the period has decreased by Rs.179.44 lakhs.
- Certain demands relating to the assessment years 2000-01 to 2003-04 have been made by the Income tax authorities on account of certain disallowances aggregating Rs.226.17 lakhs which have been upheld by the Income tax appellate authorities. The company is in the process of appealing against the order with High Court. Shortfall in provision with respect to cases pending with higher authorities amount to Rs.91.38 lakhs. The management is confident of obtaining the decision in their favour and hence no provision has been made in the accounts.
- Year ended March 31, 2008 and Nine Months ended December 31, 2008 figures include the results of erstwhile subsidiary Webspectrum Software Limited, the amalgamating company, pursuant to the scheme of amalgamation.
- During the quarter, the Company did not receive any complaint from the investors, and the opening balance of investor complaints was nil.
- Previous year's figures have been re-grouped or re-arranged wherever necessary to conform to current year's classification

For and on Behalf of the Board