



MELSTARR

August 14, 2024

The Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
BSE Scrip Code: Equity – 532307

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C/1, Block G
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
NSE Scrip Code: Equity – MELSTAR

Sub: Statement of Audited Financial Results for the quarter and year ended on March 31, 2021.

Dear Sir/Madam,

In furtherance of the letter dated August 08, 2024 and pursuant to Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Statement of Audited Financial Results for the quarter and year ended on March 31, 2021, along with Audit Reports submitted by the Statutory Auditors of Melstar Information Technologies Limited ("Company").

The above financial results were approved by the Directors of the Company at a meeting held on August 14, 2024. Given that the Company is under corporate insolvency resolution process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016, from October 03, 2019 till change of management on July 3, 2024, its affairs, business and assets are being managed by the Resolution Professional, Mr. Neehal Pathan. Considering the above facts and continuing operations of the Company, the financial results have been prepared, approved and signed on a going concern basis by the Resolution Professional. The management of the company is making disclosure of said result as required under Listing Regulation.

The above-mentioned meeting of the Directors of the Company commenced at 05.30 P.M. and concluded at 6.20 P.M.

This is for your information and records.

Thanking you,

Yours faithfully,

For MELSTAR INFORMATION TECHNOLOGIES LIMITED

Meenakshi
Ramadasani
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Digitally signed by
Meenakshi
Ramadasani
Date: 2024.08.14
18:25:27 +05'30'

Meenakshi Ramadasani
Company Secretary
M. No. A47336

Encl.: As above

Melstar Information Technologies Limited

CIN: L99999MH1986PLC040604

159, Industry House, 5th Floor, Church gate Reclamation, Mumbai City, Mumbai, Maharashtra, India, 400020

Corporate Office:

Unit No. 1302, 13th floor, "Raheja Centre", The Free Press Journal Marg, Nariman Point, Mumbai – 400 021

Email: cs@melstarrtech.com; Mobile +91 93210 30069

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
MELSTAR INFORMATION TECHNOLOGIES LIMITED

Report on the Audit of the Standalone Financial Results

Qualified Opinion

We have audited the accompanying standalone annual financial results of **Melstar Information Technologies Limited** ('the Company'), for the quarter and year ended 31.03.2021 ('the standalone financial results'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulation').

In our opinion and to the best of our information and according to the explanations given to us, subject to the effect of the matter described in the basis of Qualified opinion paragraph below these aforesaid standalone financial results:

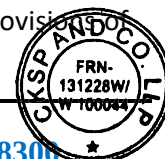
- a) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b) give true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Company for the year ended 31.03.2021.

Basis of Qualified Opinion

1. With reference to Note No 7 regarding the balance of Trade Payables, Trade Receivables, Loans, Advances, current liabilities, borrowing from others etc. being not confirmed by the parties due to pending reconciliation the management has not sent direct confirmations to parties and hence our inability to state whether these balances are recoverable /payable to the extent stated.

2. The company has accumulated losses exceeding the share capital and reserves and its net worth has been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the standalone financial results of the Company have been prepared on a going concern basis because of the reasons stated in the Note No. 5 to the standalone financial results.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of



the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No. 6 regarding an application for initiation of corporate insolvency resolution process of Melstar Information Technologies Limited was admitted by the Hon ble National Company Law Tribunal, Mumbai vide order dated October 1, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC) and hence currently, the Company is under corporate insolvency resolution process (CIRP).

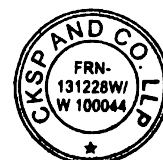
Our opinion is not modified in respect of these matters.

Responsibilities of Those Charged with Governance for the Standalone Financial Results

These standalone financial results have been prepared on the basis of the standalone Ind AS annual financial statements. The Company's Management and Board of Directors of the Company are responsible for the preparation and presentation of these standalone financial results that give a true and fair view of the net loss and other comprehensive income and other financial information of the Company in accordance with the recognition and measurement principles laid down in Ind AS prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial results by the Board of Directors of the Company, as aforesaid.

In preparing the standalone financial results, the Management and the Board of Directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the financial reporting process of the Company.

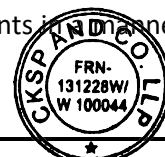


Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of standalone financial statements on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and the Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.



C K S P AND CO LLP

Chartered Accountants

Regd. Off. 103, Sharda Chambers, 1st Floor, 15, Sir V. Thackersey Marg, New Marines Lines, Mumbai – 400 020, Maharashtra, India. Tel: 022 2200 3915. Email: kalpen@cksp LLP.com; debmalya@cksp LLP.com;

We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

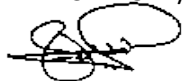
Other Matters

The standalone financial results include the results for the quarter ended 31.03.2021, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the current financial year which were subject to limited review by us.

For C K S P AND CO LLP

Chartered Accountants

FRN – 131228W / W100044

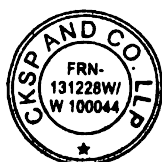


Dhananajay Jaiswal

Partner

M. No. 187686

UDIN: 24187686BKBXOC2268



Place: Mumbai

Date: 14.08.2024

Audited Financial Results For the Quarter Ended/Year Ended 31, March 2021

PARTICULARS	₹ (Rs. in Lakhs)				
	Quarter ended			Year ended	
	March 31, 2021	Dec 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
1 Revenue from operations	(63.54)	52.75	260.29	117.33	1,113.35
2 Other income	9.15	0.22	0.66	9.79	8.05
3 Total revenue (1+2)	(54.39)	52.97	260.95	127.12	1,121.40
4 Expenses					
a Purchase of Stock-in-Trade	-	-	-	-	-
b Employee benefit expense	(15.31)	59.80	223.21	176.82	974.99
c Finance costs	-	-	(15.51)	-	27.61
d Depreciation and amortization expense	(0.35)	0.11	0.14	-	0.55
e Other expenses	72.26	13.90	229.69	128.49	583.35
Total expenses (a+h)	56.60	73.81	437.53	305.31	1,586.50
5 Profit before tax (3-4)	(110.99)	(20.84)	(176.58)	(178.19)	(465.10)
6 Tax expense:					
Current tax	-	-	-	-	-
Deferred tax	-	-	(0.06)	-	(0.06)
Excess/Short Provision for tax	-	-	-	-	-
Total tax expense	-	-	(0.06)	-	(0.06)
7 Profit for the year (5-6)	(110.99)	(20.84)	(176.52)	(178.19)	(465.04)
8 Other comprehensive income					
Items that will not be reclassified to profit or loss					
i. Remeasurement of the defined benefit plans;	-	-	0.22	-	0.22
ii. Income tax relating to items that will not be reclassified to profit or loss	-	-	(0.06)	-	(0.06)
Total other comprehensive income for the year (net of tax) (i+ii)	-	-	0.16	-	0.16
9 Total Comprehensive Income for the year (7+8)	(110.99)	(20.84)	(176.36)	(178.19)	(464.88)
10 Paid-up Equity Share Capital	1,428.31	1,428.31	1,428.31	1,428.31	1,428.31
Face value of share (Rs.)	10.00	10.00	10.00	10.00	10.00
11 Earnings per equity share (EPS) :					
Basic and Diluted EPS (Rs.) (not annualised)	(0.78)	(0.15)	(1.24)	(1.25)	(3.26)

Notes :-

- The Above Financial Results for the quarter and year ended 31st March 2021 have been reviewed by Audit committee and are approved by Board of Directors at the meeting scheduled on 14th August 2024. The Accounts approved by Directors are submitted to Resolution Professional (RP) who have reviewed the same.
- The above results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), prescribed under Section 133 of the Companies Act, 2013, and other recognized accounting practices and policies to the extent applicable.
- The Ministry of Corporate Affairs has notified Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from 1 st April, 2019. The Standard primarily requires the Company, as a lessee, to recognize, at the commencement of the lease a right-to-use asset and a lease liability (representing present value of unpaid lease payments). Such right-to-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance costs, subject to certain remeasurement adjustments.
Since the company is having short term leases (less than a year) and according to the current situation there is uncertainty of renewal of lease contracts thus the impact of INDAS 116 has been reversed.
- The figures for the previous period/ year have been regrouped/ reclassified, wherever necessary, to conform to the current period/ year classification.
- The Company is incurring a losses and was in NCLT which created uncertainties. However, various initiatives undertaken by the Company in relation to saving cost, optimize revenue management opportunities and enhance ancillary revenues is expected to result in improved operating performance. Further, our continued thrust to improve operational efficiency and initiatives to raise funds are expected to result in sustainable cash flows addressing any uncertainties. Accordingly, the statement of financial results continues to be prepared on a going concern basis, which contemplates realization of assets and settlement of liabilities in the normal course of business.
- An application for initiation of corporate insolvency resolution process of Melstar Information Technologies Limited was admitted by the Hon ble National Company Law Tribunal, Mumbai vide order dated October 1, 2019 under the Insolvency and Bankruptcy Code, 2016 (IBC) and hence currently, the Company is under corporate insolvency resolution process (CIRP). Mr. Neelhal Pathan (IBBI registration number IBBI/PA-001/IP- P01561/2018-19/12406) was appointed as the IRP vide this order. Mr. Neelhal Pathan was subsequently confirmed by the Committee of Creditors as the Resolution Professional (RP) in its meeting dated October 30, 2019 under the provisions of IBC.

The Section 20 (1) of IBC, 2016 reads as follows -
The resolution professional shall make every endeavour to protect and preserve the value of the property of the corporate debtor and manage the operations of the corporate debtor as going concern.

Accordingly, the Resolution Professional has been managing the operations of the Company as a going concern . Considering the above facts and continuing operations of the Company, the financial results have been prepared, approved and signed on a going concern basis by the Resolution Professional. The management of the company is making disclosure of said result as required under listing regulation.
- As explained to us by the current management after taking into consideration NCLT order dated 01/11/2023 with regard to the confirmation of Trade Payables, Trade Receivables, Loans and Advances, Current Liabilities, Borrowings from others etc. we are unable to provide, since the company was under NCLT process and Resolution Professional Mr. Neelhal Mahamul Pathan neither handed over any confirmation he received in past years, nor he provided details / information of Trade Payables, Trade Receivables, Loans and Advances, Current Liabilities, Borrowings from others. The current management will try to ensure their realisability for the same and if it is not payable/recoverable then the required provisions will be made in current financial year.

For Melstar Information Technologies Limited


Neelhal Mahamul Pathan

Neelhal Mahamul Pathan
Resolution Professional

Reg. No. IBBI/PA-001/IP-P/01561/2018-19/12406




Vineet Govardhan Prasad Shah

Managing Director



MELSTAR INFORMATION TECHNOLOGIES LIMITED
Balance Sheet as at March 31, 2021

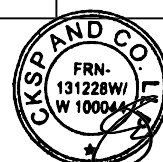
(Rs. in Lakhs)

Sr.No	PARTICULARS	As at March 31, 2021	As at March 31, 2020
		Audited	Audited
	ASSETS		
1	Non-current assets		
	Property, plant and equipment	0.00	1.35
	Intangible Assets	0.00	0.01
	Intangible Assets under development	0.00	0.00
	Right of use Lease Assets	0.00	0.00
	Investments	0.00	14.35
	Other non-current assets	35.82	49.68
	Total Non-Current Assets	35.82	65.39
2	Current assets		
	Financial assets		
	i.Trade receivable	171.35	238.43
	ii.Cash and cash equivalents	7.21	129.54
	iii.Loans & Deposits	565.32	591.35
	Current Tax Assets (Net)	119.08	113.10
	Other current assets	0.00	67.04
	Total Current Assets	862.96	1,139.46
	Total Assets (1+2)	898.78	1,204.85
	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	1,428.31	1,428.31
	Share Application Money	5.00	0.00
	Other equity	-1,955.93	-1,777.74
	Total Equity	-522.62	-349.43
2	LIABILITIES		
	Non-current liabilities		
	Financial Liabilities		
	i. Borrowings	0.00	0.00
	ii. Other Financial Liabilities	0.00	0.00
	Provisions	0.00	30.16
	Right of Use Lease Liabilities	0.00	0.00
	Total Non-Current Liabilities	0.00	30.16
3	Current liabilities		
	Financial liabilities		
	i. Borrowings	297.00	297.00
	ii. Trade payables		
	a. Total outstanding dues of micro enterprises and small enterprises	-	-
	b. Total outstanding dues of creditors other than micro enterprises and	631.66	754.80
	iii. Other financial liabilities	-	-
	Provisions	43.37	29.00
	Other current liabilities	449.37	443.32
	Total Current Liabilities	1,421.40	1,524.12
	Total Equity and Liabilities (1+2+3)	898.78	1,204.85


Neehal Marfatnath Pathan





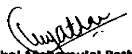


MELSTAR INFORMATION TECHNOLOGIES LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED March 31, 2021

(Rs. in Lakhs)

	Particular	As at March 31, 2021		As at March 31, 2020	
		Amount	Amount	Amount	Amount
A	Cash flow from operating activities				
	Profit /(Loss) before tax		-178.19		-465.10
	Adjustments for :				
	Depreciation and amortisation	0.00		0.55	
	Provision for doubtful advances	0.00		0.00	
	Provision for Investment Diminution	28.28		176.40	
	Profit/(Loss) on Sale of Fixed Assets sold/ discarded (Net)	0.00		0.00	
	Sundry Creditors Written back	0.00		0.00	
	Opening IND AS 116 Adjustment	0.00		0.00	
	Interest expense	0.00		27.61	
	Interest received on Inter Corporate Deposits and Other Deposits	0.00		0.00	
	Sundry Credit Balances Written Back	0.00		0.00	
	Foreign Currency Translation Reserve credited to Profit and Loss Account	0.00		0.00	
	Fixed Assets Written off	1.36		0.00	
			29.64		204.56
	Operating Profit/ (Loss) before working capital changes		-148.55		-260.54
	Adjustments for :				
	(Increase)/Decrease in Trade Receivable	67.08		-205.25	
	(Increase)/Decrease in Short Term Loan and Advances	26.03		292.42	
	(Increase)/Decrease in Other Current Assets	67.04		37.15	
	(Increase)/Decrease in Other Non Current Assets	-0.07		0.00	
	(Increase)/Decrease in Long Term Advances	0.00		0.00	
	Increase/(Decrease) in Long Term Provision	-30.16		-2.43	
	Increase/(Decrease) in Other Financial Liabilities	6.05		0.00	
	Increase/(Decrease) in Short Term Borrowing	0.00		50.00	
	Increase/(Decrease) in Trade Payable	-123.14		29.85	
	Increase/(Decrease) in Other Current Liabilities	0.00		202.81	
	Increase/(Decrease) in Short Term Provision	14.37		11.02	
			27.20		415.57
	Cash generated from operations		-121.35		155.03
	Income Tax (Paid)/ Refund (Net)		7.01		0.00
	Net cash generated from operating activities		-114.34		155.03
B	Cash flow from investing activities				
	Interest received on Inter Corporate Deposits and Other Deposits	0.00		0.00	
	Investments	0.00		0.00	
	(Additions)/Sale of fixed assets	0.00		-0.56	
	Proceeds from sale of fixed assets	0.00		0.00	
	Fixed Asstes Written Off	1.36		0.00	
	Provision for Investment Diminution	-14.35		0.00	
	Net cash used in investing activities		-12.99		-0.56
C	Cash flow from financing activities				
	Share Application Money Pending Allotments	5.00		0.00	
	Inter Corporate Deposit given	0.00		0.00	
	Dividend on cumulative preference shares	0.00		0.00	
	Unclaimed dividend paid	0.00		0.00	
	Loan given	0.00		0.00	
	Loans/advances taken (net)	0.00		0.00	
	Interest paid	0.00		-27.61	
	Net cash used in financing activities		5.00		-27.61
	Net (decrease)/ increase in cash and cash equivalents		-122.33		126.86
	Opening balance of cash and cash equivalents		129.54		2.68
	Closing balance of cash and cash equivalents		7.21		129.54


 Neelam Maheshwari Pathan

