



Melstar Information Technologies Limited

CIN : L99999MH1986PLC040604



THE YASH BIRLA GROUP

09.02.2018

BOMBAY STOCK EXCHANGE LIMITED P. J. TOWERS, DALAL STREET, MUMBAI – 400 001 SCRIP CODE 532307	NATIONAL STOCK EXCHANGE OF INDIA LIMITED Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 MELSTAR
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Dear Sirs,

SUB: UNAUDITED FINANCIAL RESULTS & LIMITED REVIEW REPORT FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31.12.2017.

REF: OUR LETTER DATED 01.02.2018

Pursuant to **Regulation 33** of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please take note that the Board of Directors at its meeting held on **FRIDAY, the 09.02.2018** approved the Unaudited Financial Results for the third quarter and nine months ended **31.12.2017**.

Please find enclosed the Unaudited Financial Results in **Regulation 33** of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 format for the third quarter and nine months ended **31.12.2017** together with Limited Review Report of Statutory Auditors.

Also pursuant to provision of regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Board of Directors has considered and approved the following matters:

1. Appointment of Mrs. Sadhana Patil as Independent and Non Executive Director of the Company.
2. Resignation of Ms. Soni Kanojia as Independent and Non Executive Director of the Company.

The meeting of Board of Directors commenced on 03.00 P.M. and concluded at 04.30 P.M.

Please take note of the above matters for your records.

Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully,

For **MELSTAR INFORMATION TECHNOLOGIES LIMITED**


(**DURGESH JADHAV**)
DIRECTOR
DIN: 08000007
Encl: As above.



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Limited Review Report

To,
The Board of Directors,
MELSTAR INFORMATION TECHNOLOGIES LIMITED

We have reviewed the accompanying statement of unaudited financial results of **MELSTAR INFORMATION TECHNOLOGIES LIMITED** for the period ended December 31, 2017, being submitted by the Company in pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, as modified by Circular No. "CIR/CFD/FAC/62/2016" dated July 05, 2016 and "CIR/IMD/DF1/69/2016" dated August 10, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, prescribed under section 133 of the Companies Act 2013 read with relevant rules issued thereunder and accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards and accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. "CIR/CFD/FAC/62/2016" dated July 05, 2016 and "CIR/IMD/DF1/69/2016" dated August 10, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Sarda & Pareek

Chartered Accountants

FRN 109262W

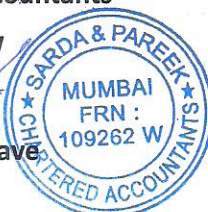
Pranavesh Bhavsar

Partner

Membership No.104928

Date: February 9, 2017

Place: Mumbai



UNAUDITED FINANCIAL RESULTS FOR THE NINE MONTH /QUARTER ENDED 31ST DECEMBER, 2017

PARTICULARS	Quarter ended				Nine Months ended		Year ended
	Dec 31, 2017 (Unaudited)	Sep 30, 2017 (Unaudited)	Dec 31, 2016 (Unaudited)	Dec 31, 2017 (Unaudited)	Dec 31, 2016 (Unaudited)	March 31, 2017 (Unaudited)	
1 Revenue from operations							
2 Other Income	80.82	86.67	500.22	255.51	1,851.52	2,101.71	
3 Total revenue (1+2)	318.08	10.05	1.11	328.23	3.61	12.27	
4 Expenses							
a Purchase of Stock-in-Trade	112.11	123.57	374.29	373.60	1,260.00	1,485.80	
b Employee benefit expense	49.12	48.26	40.16	134.48	125.06	165.49	
c Finance costs	15.05	15.45	15.91	45.84	48.18	63.43	
d Depreciation and amortization expense	51.37	91.47	186.45	202.89	679.79	785.65	
e Other expenses	227.66	278.75	616.80	756.81	2,113.03	2,500.38	
Total expenses (a+e)	171.24	(182.03)	(115.47)	(173.08)	(257.90)	(386.40)	
5 Profit before tax (3-4)							
6 Tax expense:							
Current tax	-	-	-	-	-	-	
Deferred tax	1.64	-	-	1.64	-	2.19	
Excess/Short Provision for tax	-	-	-	-	-	-	
Total tax expense	1.64	-	-	1.64	-	2.19	
7 Profit for the year (5-6)	169.60	(182.03)	(115.47)	(174.72)	(257.90)	(388.58)	
8 Other comprehensive income							
i. Items that will not be reclassified to profit or loss	(4.74)	-	-	(4.74)	-	(6.32)	
ii. Income tax relating to items that will not be reclassified to profit or loss	1.64	-	-	1.64	-	2.19	
Total other comprehensive income for the year (net of tax) (i+ii)	(3.10)	-	-	(3.10)	-	(4.13)	
9 Total Comprehensive Income for the year (7+8)	166.50	(182.03)	(115.47)	(177.82)	(257.90)	(392.71)	
10 Paid-up Equity Share Capital	142,831,390	142,831,390	142,831,390	142,831,390	142,831,390	142,831,390	
Face value of share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00	
11 Earnings per equity share (EPS) :							
Basic and Diluted EPS (Rs.) (not annualised)	0.00	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	

Notes :-

- The above results have been reviewed by the Audit committee and thereafter approved by the Board of Directors at the meeting held on 09.02.2018. A limited review of the results for the quarter and nine months ended 31.12.2017 has been carried out by the Company's statutory auditors. The corresponding financial information of the Company for the quarter and six months ended 31.12.2016 is based on the previously issued and reviewed quarterly financial results prepared in accordance with applicable accounting standards. Such information has been adjusted for the differences in the accounting principles adopted by the Company in the process of transition to Ind-AS.
- 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. Beginning April 1, 2017, the company has, for the first time, adopted Ind AS with transition date of April 1, 2016.
- The Ind AS compliant corresponding figures for the period as reported above have not been subjected to review. However, the Company's management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.
- There is possibility that these quarterly financial results may require adjustments before constituting the final Ind AS Financial Statements as of and for the year ending March 31, 2018 due to changes in financial reporting requirements arising from new or revised Standard or interpretations issued by MCA or changes in use of one or more optional exemptions from full retrospective application as permitted under Ind AS 101.
- Under previous GAAP, dividend payable is recognized as a liability in the period to which it related. Under Ind AS, dividends to shareholders are recognised when declared by the members in a general meeting.
- The figures for the previous period/ year have been regrouped/ reclassified, wherever necessary, to conform to the current period/ year classification.
- Reconciliation of Net Profit as previously reported under Previous GAAP and IND AS for the period as reported above have been given in Annex - I, Reconciliation of Equity as reported under Previous GAAP and IND AS for the period as reported above have been given in Annex - II and Segment Information have been given in Annex - III.

Place : Mumbai
 Date : 9th February, 2018

For Melstar Information Technologies Limited

Director



Melstar Information Technologies Limited
Regd. Office: 159, 5th Floor, Industry House, Reclamation, Churchgate, Mumbai 400020
CIN : L99999MH1986PLC040604

Unaudited Segment-wise Revenue, Results, Assets and Liabilities

Particulars	Quarter Ended			Nine month		(Rs. In Lakhs)
	31.12.2017 (Unaudited)	30.9.2017 (Unaudited)	31.12.2016 (Unaudited)	31.12.2017 (Unaudited)	31.12.2016 (Unaudited)	Year Ended 31.03.2017 (Unaudited)
1. Segment Revenue (Net sale/Income from each segments should be disclosed under this head)						
(a) Segment -A (Software Services)	80.82	86.67	494.64	255.51	1,837.98	2,044.17
(b) Segment -B (IT Infraprojects)	-	-	5.58	-	13.54	57.54
Less: Inter Segment Revenue	-	-	-	-	-	-
Net Sales/Income From Operations	80.82	86.67	500.22	255.51	1,851.52	2,101.71
2. Segment Results (Profit)(+)/Loss(-) before tax and interest from each segment)						
(a) Segment -A (Software Services)	(69.18)	(95.70)	(28.31)	(270.79)	(18.58)	(114.80)
(b) Segment -B (IT Infraprojects)	-	(1.83)	(19.94)	(3.79)	(40.50)	(15.72)
Less: (i) Interest	49.13	48.25	40.14	134.48	125.05	162.34
Add: (ii) Other Un-allocable Income net off un-allocable expenditure	289.55	(36.25)	(27.07)	235.98	(73.76)	(93.54)
Total Profit Before Tax	171.24	(182.03)	(115.46)	(173.08)	(257.89)	(386.40)
3. Assets						
(a) Segment -A (Software Services)	584.96	895.31	1,253.33	584.96	1,253.33	1,064.46
(b) Segment -B (IT Infraprojects)	81.01	104.04	76.36	81.01	76.36	102.44
(c) Unallocated Assets	1,678.40	1,214.90	1,231.22	1,678.40	1,231.22	1,080.12
Total	2,344.37	2,214.25	2,560.91	2,344.37	2,560.91	2,247.02
4. Liabilities						
(a) Segment -A (Software Services)	679.80	912.88	1,076.35	679.80	1,076.35	829.55
(b) Segment -B (IT Infraprojects)	-	-	1.51	-	1.51	-
(c) Unallocated Liabilities	1,439.30	1,242.61	945.15	1,439.30	945.15	1,014.39
Total	2,119.10	2,155.49	2,023.01	2,119.10	2,023.01	1,843.94



Annexure - I

Reconciliation of Net Profit as previously reported on account of transition from the previous Indian GAAP to IND-AS for the Quarter ended December 31, 2016, nine months ended December 31, 2016.

(Rs. in Lakhs)

Particulars	For Quarter year Ended 31st December, 2016	For the nine months Ended 31st December 2016
	(Unaudited)	(Unaudited)
Net Profit after tax as reported under previous GAAP	(166.50)	(239.22)
Effect of measuring investments at Fair Value through profit or loss	-	-
Amortization of Loan	-	-
Deferred taxes adjustments	-	-
Remeasurement of defined benefit plans recognised in Other Comprehensive Income (net of tax)	-	-
Net Profit for the year / period as per Ind AS	(166.50)	(239.22)
Other Comprehensive Income (net of tax)	-	-
Total Comprehensive Income for the year / period as per Ind AS	(166.50)	(239.22)



Annexure - II

Reconciliation of Equity as reported under previous GAAP is summarised as follows :

(Rs.in Lakh)

Particulars	For the year ended March 31, 2017	For the year ended April 1, 2016
Total equity (Shareholder's funds under Previous GAAP)	403.08	795.79
Reversal of proposed dividend (including dividend distribution tax) in the absence of obligating event	-	-
Effect of measuring Loans at amortised cost	-	-
Effect of measuring investments in Equity Shares & Mutual funds at fair value through profit or loss	-	-
Deferred tax on Ind AS adjustments	-	-
Total equity under Ind AS	403.08	795.79

