

09.02.2017

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

Dear Sirs,

SUB: UNAUDITED FINANCIAL RESULTS & LIMITED REVIEW REPORT FOR THE THIRD QUARTER AND NINE MONTHS ENDED 31.12.2016.

REF: OUR LETTER DATED 01.02.2017

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 **THURSDAY, the 09.02.2017** approved the Unaudited Financial Results for the third quarter and nine months ended **31.12.2016**.

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 **31.12.2016** together with Limited Review Report of Statutory Auditors.

The meeting of Board of Directors commenced on 11.30 A.M. and concluded at 02:20 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**


(ANIL KORPE)
CHIEF FINANCIAL OFFICER
Encl: As above.



Registered / Corporate Office:
Melstar House, G-4, M.I.D.C.
Cross Road "A", Andheri (East),
Mumbai 400 093, INDIA.
Phone : +91(22) 4056 6464
Fax : +91(22) 2831 0520
URL : www.melstar.com



Review Report to

The Board of Directors
Melstar Information Technologies Limited
Mumbai

We have reviewed the accompanying statement of unaudited standalone financial results ('the statement') of Melstar Information Technologies Limited ('the Company') for the quarter ended December 31, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information performed by the independent auditor of the entity* 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 results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides 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 standalone financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For SARDA & PAREEK
Chartered Accountants
Firm Registration No. 109262W


CA Niranjan Joshi
Partner
Membership No. 102789



Place: Mumbai
Date: February 9, 2017

PART I
Statement of Unaudited Financial Results for the quarter and nine months ended 31/12/2016 (₹ in Lakhs)

Particulars	Standalone					
	3 months ended			Nine Months ended		Year to date for the year ended
	31/12/2016 (Unaudited)	30/09/2016 (Unaudited)	31/12/2015 (Unaudited)	31/12/2016 (Unaudited)	31/12/2015 (Unaudited)	31/03/2016 (Audited)
1 Income from operations						
(a) Net Sales/ Income from operations	500.22	668.07	660.93	1,851.52	2,153.08	3,095.27
(b) Other operating income	1.11	2.48	5.77	3.61	14.32	21.88
Total Income from operations (net)	501.33	670.55	666.70	1,855.13	2,167.40	3,117.15
2 Expenses						
(a) Purchases of Stock in Trade	-	-	-	-	2.00	2.00
(b) Changes in inventories of finished goods, work in progress	374.29	440.24	447.52	1,260.00	1,346.89	1,641.15
(c) Employee benefits expense	104.28	191.15	184.92	490.44	592.25	1,060.14
(d) Purchases - Software services and IT infra services	15.91	16.18	16.16	48.18	48.45	64.55
(e) Depreciation and amortisation expense	63.49	48.02	39.44	153.03	123.57	163.40
(f) Other expenses	18.68	17.64	-	36.32	-	9.24
(g) Irrecoverable debts/ advances written off	-	-	-	-	-	-
Total expenses	576.65	713.23	688.04	1,987.97	2,113.16	2,940.48
3 Profit/(Loss) from operations before other Income, Finance costs and exceptional items (1-2)	(75.32)	(42.68)	(21.34)	(132.84)	54.24	176.67
4 Other Income	-	-	-	-	0.13	0.83
5 Profit/(Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)	(75.32)	(42.68)	(21.34)	(132.84)	54.37	177.50
6 Finance costs	40.15	44.77	35.66	125.06	107.56	157.41
7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)	(115.47)	(87.45)	(57.00)	(257.90)	(53.19)	20.09
8 Exceptional items	-	-	-	-	-	-
9 Profit/(Loss) from ordinary activities before tax (7 ± 8)	(115.47)	(87.45)	(57.00)	(257.90)	(53.19)	20.09
10 Tax Expense	-	-	-	-	-	-
11 Net Profit/(Loss) from ordinary activities after tax (9 ± 10)	(115.47)	(87.45)	(57.00)	(257.90)	(53.19)	20.09
12 Extraordinary items (net of tax expenses ₹ Lakhs)	-	-	-	-	-	-
13 Net Profit/(Loss) for the period (11 ± 12)	(115.47)	(87.45)	(57.00)	(257.90)	(53.19)	20.09
14 Share of profit / (loss) of associates	-	-	-	-	-	-
15 Minority interest	-	-	-	-	-	-
16 Net Profit/(Loss) after taxes, minority interest and share of profit / (loss) of associates (13 ± 14 ± 15)	(115.47)	(87.45)	(57.00)	(257.90)	(53.19)	20.09
17 Paid-up Equity Share Capital (Face Value Rs.10/- per share)	1,428.31	1,428.31	1,428.31	1,428.31	1,428.31	1,428.31
18 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	(632.52)
19.i Earnings Per Share (before Extraordinary Items) (of ₹ 10/- each) (not annualised):						
(a) Basic	(0.81)	(0.61)	(0.40)	(1.81)	(0.37)	0.14
(b) Diluted	(0.81)	(0.61)	(0.40)	(1.81)	(0.37)	0.14
19.ii Earnings Per Share (after Extraordinary Items) (of ₹ 10/- each) (not annualised):						
(a) Basic	(0.81)	(0.61)	(0.40)	(1.81)	(0.37)	0.14
(b) Diluted	(0.81)	(0.61)	(0.40)	(1.81)	(0.37)	0.14

See accompanying notes to the financial results.



PART II

Select Information for the quarter and nine months ended 31/12/2016

Particulars	Standalone					
	3 months ended			Nine Months ended		Year to date for the year ended
	31/12/2016	30/09/2016	31/12/2015	31/12/2016	31/12/2015	31/03/2016
A	PARTICULARS OF SHAREHOLDING					
1	Public Shareholding					
- Number of shares	7,562,163	7,562,163	7,262,163	7,562,163	7,262,163	7,262,163
- Percentage of shareholding	52.94	52.94	50.84	52.94	50.84	50.84
2	Promoters and Promoter group Shareholding					
a)	Pledged/ Encumbered					
- Number of shares	904,889	3,006,797	6,178,332	904,889	6,178,332	5,535,046
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	13.46	44.74	88.00	13.46	88.00	78.84
- Percentage of shares (as a % of the total share capital of the company)	6.34	21.05	43.26	6.34	43.26	38.75
b)	Non - encumbered					
- Number of shares	5,816,087	3,714,179	842,644	5,816,087	842,644	1,485,930
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	33.60	55.26	12.00	33.60	12.00	21.16
- Percentage of shares (as a % of the total share capital of the company)	40.72	26.01	5.90	40.72	5.90	10.41

Particulars	3 months ended 31/12/2016
B	
INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed of during the quarter	Nil
Remaining unresolved at the end of the quarter	Nil

For Melfar Information Technologies Limited

Ashish Mahendrakar
Director
DIN : 03584695

Place : Mumbai
Date: February 09, 2017



MELSTAR INFORMATION TECHNOLOGIES LIMITED

NOTES:

1. The aforesaid Standalone Unaudited Financial Results were reviewed by the Audit Committee at its Meeting held on February 09, 2017 and thereafter approved and taken on record by the Board of Directors at their Meeting held on February 09, 2017.
2. The Statutory Auditors of the Company have carried out Limited Review of these Standalone Unaudited Financial Results pursuant to clause 41 of the Listing Agreement.
3. The figures of the previous period / year have been regrouped/ reclassified wherever necessary to conform to current period's classification.

For Melstar Information Technologies Limited


Ashish Mahendrakar
Director



Place: Mumbai

Date: February 09, 2017

Meistar Information Technologies Limited
 Regd. Office: Meistar House, G4, MIDC Cross Road A, Andheri (E), Mumbai- 400 093
 CIN : L99999MH1986PLC040604
 Segment-wise revenue, results and capital employed for the quarter and nine months ended 31/12/2016

(₹ in Lakhs)

Sl. No.	Particulars	3 months ended			Nine Months ended			Year to date for the year ended
		31/12/2016	30/09/2016	31/12/2015	31/12/2016	31/12/2015	31/03/2016	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1	Segment Revenue							
	(a) Software Services	495.75	662.59	647.29	1,841.59	2,085.05	2,732.04	
	(b) IT Infra Projects	5.58	7.96	19.41	13.54	82.34	385.10	
	Total	501.33	670.55	666.70	1,855.13	2,167.40	3,117.15	
	Less: Inter segment Revenue							
	Total Segment Revenue	501.33	670.55	666.70	1,855.13	2,167.40	3,117.15	
2	Segment results (Profit/ (Loss) before tax and interest but after Exceptional Items)							
	(a) Software Services	(78.31)	0.16	1.83	(18.58)	10.53	235.82	
	(b) IT Infra Projects	(19.94)	(18.55)	(0.97)	(40.50)	7.29	25.03	
	Total	(48.25)	(18.39)	0.85	(59.08)	114.83	260.84	
	Less: Interest	40.15	44.77	35.66	125.06	107.56	153.91	
	Less: Un allocated Expenses net of unallocable income	27.06	24.30	22.20	73.76	60.46	86.85	
	Profit/ (Loss) before tax	(115.47)	(87.45)	(57.00)	(257.90)	(53.19)	20.09	
3	Assets							
	(a) Software Services	1,253.33	1,391.56	1,364.03	1,253.33	1,364.03	1,534.70	
	(b) IT Infra Projects	76.36	62.03	81.89	76.36	81.89	356.32	
	Total	1,329.69	1,453.59	1,445.92	1,329.69	1,445.92	1,891.02	
	Un-allocated	1,231.22	1,171.16	904.70	1,231.22	904.70	881.78	
	Total Assets	2,560.91	2,630.75	2,350.62	2,560.91	2,350.62	2,772.80	
4	Liabilities							
	(a) Software Services	1,076.35	1,038.21	662.78	1,076.35	662.78	772.13	
	(b) IT Infra Projects	1.51	8.83	-	1.51	-	254.73	
	Total	1,077.86	1,047.04	662.78	1,077.86	662.78	1,026.86	
	Un-allocated	945.15	930.35	962.42	945.15	962.42	950.15	
	Total Liabilities	2,023.01	1,977.39	1,625.20	2,023.01	1,625.20	1,977.01	

Notes:-

- (a) The Company has identified business segments as primary segment, having regard to the organizational structure, location of customers, internal financial reporting systems and different risk and returns.
 (b) The segments are Software Services and IT Infra Projects.
- Unallocated assets represent Fixed and other assets, which are not identifiable to any of the reportable segments as the same are used interchangeably between segments.
- The figures of the previous period / year have been regrouped/ reclassified wherever necessary to conform to current period's classification.

For Meistar Information Technologies Limited

Ashish Mahendrakar
 Director
 DIN : 03596535

Place : Mumbai
 Date: February 09, 2017



Melstar Information Technologies Limited

Regd. Office: Melstar House, G4, MIDC Cross Road A, Andheri (E), Mumbai- 400 093

CIN : L99999MH1986PLC040604

Statement of Unaudited Standalone financial results for the quarter and nine months ended 31/12/2016

Sr. No.	Particulars	(₹ in Lakhs)		
		Standalone		
		Quarter ended on 31/12/2016 (Unaudited)	Nine months ended on 31/12/2016 (Unaudited)	Quarter ended on 31/12/2015 (Unaudited)
1	Total income from operations (net)	501.33	1,855.13	666.70
2	Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	(115.47)	(257.90)	(57.00)
3	Net Profit/(Loss) for the period before Tax (after Exceptional and/or Extraordinary items)	(115.47)	(257.90)	(57.00)
4	Net Profit/(Loss) for the period after tax (after Exceptional and/or Extraordinary items)	(115.47)	(257.90)	(57.00)
5	Total Comprehensive Income for the period [Comprising Profit/ (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(115.47)	(257.90)	(57.00)
6	Equity Share Capital	1,428.31	1,428.31	1,428.31
7	Reserves excluding Revaluation Reserves as per Balance Sheet of previous year *	-	-	-
8	Earnings Per Share (of ₹ 0/- each)			
	Basic :	(0.81)	(1.81)	(0.40)
	Diluted :	(0.81)	(1.81)	(0.40)

* Reserves excluding Revaluation Reserves as on 31st March 2016 was Rs. -632.52 Lakhs

Notes:

- The above is an extract of the detailed format of the financial results for the Quarter and Nine months ended 31st December, 2016, filed with the Stock Exchanges, under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the financial results for the Quarter and Nine months ended 31st December, 2016 is available on the websites of the Stock Exchanges, www.nseindia.com and www.bseindia.com and on the Company's website www.melstar.com.
- The aforesaid Standalone Unaudited Financial Results were reviewed by the Audit Committee at it's meeting held on February 09, 2017 and thereafter approved and taken on record by the Board of Directors at their meeting held on February 09, 2017.
- The figures of the previous period/ year have been regrouped/ reclassified wherever necessary to conform to current period's classification.

For Melstar Information Technologies Limited

Ashish Mahendrakar
Director
DIN : 03584695

Place : Mumbai
Date: February 09, 2017

