

**MELSTAR INFORMATION TECHNOLOGIES LIMITED**

**(Under Insolvency Resolution Process)**

**CIN: L99999MH1986PLC040604**

**Regd Address: 159, Industry House, 5th Floor, Churchgate Reclamation, Mumbai City - 400020.**

**Phone no: 022-62356400; Email id: [management@melstar.com](mailto:management@melstar.com)**

<b>BOMBAY STOCK EXCHANGE LIMITED P.J. TOWERS DALAL STREET MUMBAI-400001 SCRIP CODE 532307</b>	<b>NATIONAL STOCK EXCHANGE OF INDIA BANDRAS KURLA COMPLEX, LIMITED EXCHANGE PLAZA, BANDRA (EAST) MUMBAI- 400001 SCRIP CODE 532307</b>
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**Sub: Outcome of Board Meeting held on 12<sup>th</sup> February 2021**

Dear Sir / Madam,

Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Pursuant to the provision of Insolvency and Bankruptcy Code 2016, this is to inform you that the Deemed Board Meeting of the Company held today considered and approved inter alia: Un-Audited Financial Results and Limited Review Report of the Company for the quarter and nine month ended 31<sup>st</sup> December 2021 from Sharda & Pareek LLP, Chartered Accountants is hereby enclosed .

The Board Meeting commenced at 4:00 p.m .and concluded at 06:18 PM.

Yours faithfully,

**For Melstar Information Technologies Limited  
(Under Insolvency Resolution Process)**

S/d

**Neehal Mahamullal Pathan**

**Resolution Professional**

**[IBBI/IPA-001/IP-P01561/2019-20/12406]**

**Kindly note that the document could not be physically signed, as the employee are working from home because of the outbreak of COVID -19.**



**INDEPENDENT AUDITORS' REVIEW REPORT ON THE INTERIM AUDITED  
FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED  
31<sup>ST</sup> December 2020**

Review Report to  
Resolution Professional  
MELSTAR INFORMATION TECHNOLOGIES LIMITED  
Mumbai

We have reviewed the accompanying statement of Standalone unaudited Financial Results of **MELSTAR INFORMATION TECHNOLOGIES LIMITED** ("the Company") for the Quarter and Nine months ended 31st December 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Statement is 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 standalone unaudited financial results prepared in accordance with applicable Indian Accounting Standards (Ind AS) and other recognized 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, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

### **Material Uncertainty in relation to Going Concern**

The Company has incurred a net loss of Rs. 67.20 lakhs during the Nine months ended December 31, 2020 and, as of that date, the Company's current liabilities exceeded its current assets by Rs. 438.02 lakhs and it has accumulated losses of Rs. 1844.93 Lakhs which has resulted in complete erosion of the net worth of the company.

These events raise significant doubt on the ability of the Company to continue as a "Going Concern". These events or conditions, along with other matters indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

For **SARDA & PAREEK LLP**

Chartered Accountants

FRN: 109262W

Giriraj Om  
Prakash Soni



Digitally signed  
by Giriraj Om  
Prakash Soni  
Date: 2021.02.12  
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**Ca Giriraj Soni**

Partner

Membership No. 109738

Date: February 12, 2021

Mumbai,

**UDIN: 21109738AAAABQ2052**

**STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED DECEMBER 31, 2020**

PARTICULARS	Quarter Ended			For Nine Months Ended			Year Ended
	Dec 31, 2020	Sept 30, 2020	Dec 31, 2019	Dec 31, 2020	Dec 31, 2019	March 31, 2020	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
<b>1 Revenue from operations</b>	52.75	61.62	329.36	180.87	853.06	1,113.35	
<b>2 Other Income</b>	0.22	0.22	4.43	0.64	7.39	8.05	
<b>3 Total revenue (1+2)</b>	<b>52.97</b>	<b>61.84</b>	<b>333.79</b>	<b>181.51</b>	<b>860.45</b>	<b>1,121.40</b>	
<b>4 Expenses</b>							
a Purchase of Stock-In-Trade							
a Employee benefit expense	59.80	69.18	282.27	192.13	751.78	974.99	
b Finance costs	-	-	11.09	-	43.12	27.61	
c Depreciation and amortization expense	0.11	0.10	0.15	0.35	0.41	0.55	
d Depreciation on Right to Use of Lease Asset			(53.97)	-			
e Other expenses	13.90	24.15	123.55	56.23	353.66	583.35	
<b>Total expenses (a+e)</b>	<b>73.81</b>	<b>93.43</b>	<b>363.09</b>	<b>248.71</b>	<b>1,148.97</b>	<b>1,586.50</b>	
<b>5 Profit before tax (3-4)</b>	<b>(20.84)</b>	<b>(31.59)</b>	<b>(29.30)</b>	<b>(67.20)</b>	<b>(288.52)</b>	<b>(465.10)</b>	
<b>6 Tax expense:</b>							
Current tax	-	-	-	-	-	(0.06)	
Deferred tax	-	-	-	-	-	(0.06)	
Excess/Short Provision for tax	-	-	-	-	-	(0.06)	
<b>Total tax expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.06)</b>	
<b>7 Profit for the year (5-6)</b>	<b>(20.84)</b>	<b>(31.59)</b>	<b>(29.30)</b>	<b>(67.20)</b>	<b>(288.52)</b>	<b>(465.04)</b>	
<b>8 Other comprehensive income</b>							
Items that will not be reclassified to profit or loss							
i. Remeasurement of the defined benefit plans;	-	-	-	-	-	0.22	
ii. Income tax relating to items that will not be reclassified to	-	-	-	-	-	(0.06)	
<b>Total other comprehensive income for the year (net of tax) (i+ii)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.16</b>	
<b>9 Total Comprehensive Income for the year (7+8)</b>	<b>(20.84)</b>	<b>(31.59)</b>	<b>(29.30)</b>	<b>(67.20)</b>	<b>(288.52)</b>	<b>(464.89)</b>	
<b>10 Paid-up Equity Share Capital</b>	1,428.31	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	10.00	
<b>11 Earnings per equity share (EPS) :</b>							
Basic and Diluted EPS (Rs.) (not annualised)	(0.15)	(0.22)	(0.21)	(0.47)	(2.02)	(3.25)	

**Notes:-**

- 1 The Above Financial Results for the quarter ended 31st December, 2020 have been reviewed by Audit committee and are approved by Board of Directors at the meeting scheduled on 12th February, 2021. The Accounts approved by Directors are submitted to Resolution Professional (RP) who have reviewed the same.
- 2 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.
- 3 The figures for the previous period/ year have been regrouped/ reclassified, wherever necessary, to conform to the current period/ year classification.
- 4 The Company is incurring a losses which may create 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.
- 5 An application for initiation of corporate insolvency resolution process of Melstar Information Technologies Limited was admitted by the Honble 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 on a going concern basis.

6 Loans and Advances are subject to realization and according to the management are recoverable fully.

For Melstar Information Technologies Limited

Sirish Kumar Sahoo

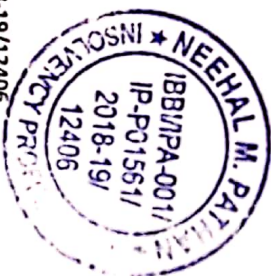
Director

DIN : 08052666

Neelhal Pathan

Resolution Professional

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



Place : Mumbai  
Date : February 12, 2021