

**MELSTAR INFORMATION TECHNOLOGIES LIMITED**

(A SOFTWARE SERVICES COMPANY)

REGD OFFICE : MELSTAR HOUSE, G-4, MIDC CROSS ROAD "A", ANDHERI EAST, MUMBAI-400093



THE YASH BIRLA GROUP



PART I

Statement of Unaudited financial results for the quarter and half year ended 30/09/2013

₹ In Lakhs

Particulars	Standalone					Year to date for the year ended
	3 months ended			Half year ended		
	30/09/2013 (Unaudited)	30/06/2013 (Unaudited)	30/09/2012 (Unaudited)	30/09/2013 (Unaudited)	30/09/2012 (Unaudited)	
1 Income from operations						
(a) Net Sales/ Income from operations	452.49	502.10	559.08	954.59	1132.37	2,035.51
(b) Other operating income	25.13	4.04	5.04	29.17	9.68	33.36
Total income from operations (net)	477.62	506.14	564.12	983.76	1,142.05	2,068.87
2 Expenses						
(a) Purchases of Stock in Trade	-	-	-	-	-	-
(b) Employee benefits expense	397.47	402.56	407.25	800.03	893.13	1,665.82
(c) Depreciation and amortisation expense	20.88	20.62	21.31	41.50	42.58	84.10
(d) Other expenses	70.43	130.31	175.11	200.74	262.18	525.61
Total expenses	488.78	553.49	603.67	1,042.27	1,197.89	2,275.53
3 Loss from operations before other income, finance costs and exceptional items (1-2)	(11.16)	(47.35)	(39.55)	(58.51)	(55.84)	(206.66)
4 Other Income	35.56	33.16	32.66	68.72	57.41	134.62
5 Profit/ (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)	24.40	(14.19)	(6.89)	10.21	1.57	(72.04)
6 Finance costs	21.76	20.61	26.89	42.37	37.62	80.65
7 Profit/ (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)	2.64	(34.80)	(33.78)	(32.16)	(36.05)	(152.69)
8 Exceptional items	-	-	-	-	-	-
9 Profit/ (Loss) from ordinary activities before tax (7 ± 8)	2.64	(34.80)	(33.78)	(32.16)	(36.05)	(152.69)
10 Tax Expense	(7.30)	-	3.80	(7.30)	-	7.85
11 Net Loss from ordinary activities after tax (9 ± 10)	(4.66)	(34.80)	(29.98)	(39.46)	(36.05)	(144.84)
12 Extraordinary items (net of tax expenses ₹ in Lakhs)	-	-	-	-	-	-
13 Net Loss for the period (11 ± 12)	(4.66)	(34.80)	(29.98)	(39.46)	(36.05)	(144.84)
14 Share of profit / (loss) of associates	-	-	-	-	-	-
15 Minority interest	-	-	-	-	-	-
16 Net Loss after taxes, minority interest and share of profit / (loss) of associates (13 ± 14 ± 15)	(4.66)	(34.80)	(29.98)	(39.46)	(36.05)	(144.84)
17 Paid-up Equity Share Capital (Face Value ₹ 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	-	-	-	-	-	(207.09)
19. i Earnings Per Share (before Extraordinary Items) (of ₹ 10/- each) (not annualised):						
(a) Basic	(0.03)	(0.24)	(0.21)	(0.28)	(0.25)	(1.01)
(b) Diluted	(0.03)	(0.24)	(0.21)	(0.28)	(0.25)	(1.01)
19. ii Earnings Per Share (after Extraordinary Items) (of ₹ 10/- each) (not annualised):						
(a) Basic	(0.03)	(0.24)	(0.21)	(0.28)	(0.25)	(1.01)
(b) Diluted	(0.03)	(0.24)	(0.21)	(0.28)	(0.25)	(1.01)

See accompanying notes to the financial results.

PART II Select Information for the quarter ended 30/09/2013

Particulars	Standalone					Year to date for the year ended
	3 months ended			Half year ended		
	30/09/2013	30/06/2013	30/09/2012	30/09/2013	30/09/2012	
A PARTICULARS OF SHAREHOLDING						
1 Public Shareholding						
- Number of shares	7,666,668	7,166,668	7,141,668	7,666,668	7,141,668	7,141,668
- Percentage of shareholding	53.68	50.18	50.00	53.68	50.00	50.00
2 Promoters and Promoter group Shareholding						
a) Pledged/ Encumbered						
- Number of shares	6,365,000	5,865,000	6,890,000	6,365,000	6,890,000	6,890,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	96.20	96.47	96.48	96.20	96.48	96.48
- Percentage of shares (as a % of the total share capital of the company)	44.56	48.06	48.24	44.56	48.24	48.24
b) Non - encumbered						
- Number of shares	251,471	251,471	251,471	251,471	251,471	251,471
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	3.80	3.53	3.52	3.80	3.52	3.52
- Percentage of shares (as a % of the total share capital of the company)	1.76	1.76	1.76	1.76	1.76	1.76
B INVESTOR COMPLAINTS						
Pending at the beginning of the quarter			Nil			
Received during the quarter			1			
Disposed of during the quarter			1			
Remaining unresolved at the end of the quarter			Nil			

NOTES:

- The aforesaid unaudited results were reviewed by the Audit Committee and were taken on record by the Board at its meeting held on November 13, 2013.
- Statement of assets and liabilities as at end of September 30, 2013 is as under:-

(₹ in Lakhs)

	Particulars	Standalone	
		As at 30/09/2013 Unaudited	As at 31/03/2013 Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	1,428.31	1,428.31
	(b) Reserves and surplus	(254.75)	(207.09)
	Sub-total - Shareholders' funds	1,173.56	1,221.22
2	Non-current liabilities		
	(a) Long-term borrowings	-	-
	(b) Long-term provisions	37.05	38.14
	Sub-total - Non-current liabilities	37.05	38.14
3	Current liabilities		
	(a) Short-term borrowings	590.57	526.97
	(b) Trade payables	332.67	1,187.66
	(c) Other current liabilities	63.03	94.23
	(d) Short-term provisions	21.19	21.19
	Sub-total - Current liabilities	1,007.46	1,830.04
	TOTAL - EQUITY AND LIABILITIES	2,218.06	3,089.39
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	958.66	998.76
	(b) Non-current investments	-	-
	(c) Long-term loans and advances	250.85	305.99
	Sub-total - Non-current assets	1,209.51	1,304.75
2	Current assets		
	(a) Trade receivables	379.23	1,222.91
	(b) Cash and cash equivalents	35.47	21.20
	(c) Short-term loans and advances	343.78	311.91
	(d) Other current assets	250.09	228.62
	Sub-total - Current assets	1,008.55	1,784.64
	TOTAL - ASSETS	2,218.06	3,089.39

- One of the Overseas Branch located at U.K., has been closed w.e.f. 22.07.2013 as indicated in the Companies House, U.K. website. Consequently, the related exchange difference of Rs.7.45 Lakhs accumulated in the Foreign Currency Translation Reserve, has been credited to Profit and Loss Account under 'Other Operating Income', in accordance with AS-11(Revised) 'The Effect of Changes in Foreign Exchange Rates'.
- The figures of the previous period / year have been regrouped/ reclassified wherever necessary to conform to current period's classification.
- The Statutory Auditors have carried out Limited Review of these standalone unaudited financial results.

Segment-wise revenue, results and capital employed for the quarter and half year ended September 30, 2013

(₹ in Lakhs)

Sr. No.	Particulars	Standalone					Year to date for the year ended 31/03/2013 (Audited)
		3 months ended			Half year ended		
		30/09/2013 (Unaudited)	30/06/2013 (Unaudited)	30/09/2012 (Unaudited)	30/09/2013 (Unaudited)	30/09/2012 (Unaudited)	
1	Segment Revenue						
	(a) Asia-Pacific	432.47	419.18	528.27	851.65	1,057.48	1,843.52
	(b) USA	18.46	86.96	35.85	105.42	84.57	225.35
	(c) Others	26.69	-	-	26.69	-	-
	Total	477.62	506.14	564.12	983.76	1,142.05	2,068.87
	Less: Inter-segment Revenue						
	Total Segment Revenue	477.62	506.14	564.12	983.76	1,142.05	2,068.87
2	Segment results ((Loss)/ Profit before tax and interest but after Exceptional Items)						
	(a) Asia-Pacific	(8.95)	(25.47)	(14.04)	(34.42)	(16.32)	(122.76)
	(b) USA	2.28	4.24	(2.86)	6.52	8.72	13.60
	(c) Others	20.99	-	-	20.99	-	-
	Total	14.32	(21.23)	(16.90)	(6.91)	(7.60)	(109.16)
	Less: Interest	21.10	20.60	14.72	41.70	23.39	55.16
	Less: Un-allocated Expenses net of unallocable income	(9.42)	(7.03)	2.16	(16.45)	5.06	(11.63)
	Profit/ (Loss) before tax	2.64	(34.80)	(33.78)	(32.16)	(36.05)	(152.69)
	Tax expenses	(7.30)	-	3.80	(7.30)	-	7.85
	(Loss)/ Profit after tax	(4.66)	(34.80)	(29.98)	(39.46)	(36.05)	(144.84)
3	Capital employed (Segment Assets less Segment Liabilities)						
	(a) Asia-Pacific	702.17	705.31	961.90	702.17	961.90	686.96
	(b) USA	1.44	(1.10)	(1.48)	1.44	(1.48)	(4.20)
	(c) Others	0.58	(12.80)	(12.13)	0.58	(12.13)	(11.66)
	(d) Un-allocated	469.37	493.50	381.30	469.37	381.30	550.12
	Total	1,173.56	1,184.91	1,329.59	1,173.56	1,329.59	1,221.22

NOTES:

- (a) The Company has identified geographical segments as primary segment, having regard to the organizational structure, location of customers, internal financial reporting systems and differing risks and returns.
(b) The segments are Asia Pacific, USA and others.
- 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.

For Melstar Information Technologies Limited
Sd/-

Place: Mumbai

Date: November 13, 2013

www.melstar.com

(Richard D'Souza)
Managing Director