

**MELSTAR INFORMATION TECHNOLOGIES LIMITED**CIN NO L99999MH1986PLC040604.
(A SOFTWARE SERVICES COMPANY)
REGD OFFICE : MELSTAR HOUSE, G-4, MIDC CROSS ROAD "A", ANDHERI EAST, MUMBAI-400093

PART I

Statement of Audited financial results for the quarter and year ended 31/03/2015

(₹ In Lakhs)

PART I	Particulars	Standalone				Consolidated Group		
		3 months ended			Year to date for the year ended		Year to date for the year ended	
		31/03/2015 (Audited)	31/12/2014 (Unaudited)	31/03/2014 (Audited)	31/03/2015 (Audited)	31/03/2014 (Audited)	31/03/2015 (Audited)	31/03/2014 (Audited)
1	Income from operations	667.95	555.52	447.70	2,235.83	1,822.66	2,235.83	1,859.63
	(a) Net Sales/ Income from operations	16.68	0.63	5.39	20.40	37.38	20.40	37.38
	(b) Other operating income							
	Total income from operations (net)	684.62	556.15	453.09	2,256.23	1,860.04	2,256.22	1,897.01
2	Expenses							
	(a) Purchases of Stock in Trade	-	-	-	-	0.30	-	0.30
	(b) Employee benefits expense	462.40	401.51	387.63	1,718.07	1,594.90	1,718.07	1,594.90
	(c) Software development expenses	141.36	24.45	12.99	206.13	137.63	206.13	172.89
	(d) Depreciation and amortisation expense	16.29	17.29	19.77	71.06	81.88	71.06	81.88
	(e) Other expenses	51.01	47.27	58.22	184.61	201.72	185.39	205.79
	(f) Irrecoverable debts/ advances written off	6.62	-	-	6.62	57.90	6.62	57.90
	Total expenses	677.67	490.52	478.61	2,186.49	2,074.33	2,187.26	2,113.66
3	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	6.96	65.63	(25.52)	69.74	(214.29)	68.96	(216.65)
4	Other Income	(1.77)	0.24	1.39	80.51	73.01	80.51	73.01
5	Profit/ (Loss) from ordinary activities before finance costs and exceptional items (3 ± 4)	5.18	65.87	(24.13)	150.25	(141.28)	149.47	(143.64)
6	Finance costs	35.52	40.88	25.45	137.14	92.06	137.14	92.06
7	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)	(30.33)	24.99	(49.58)	13.12	(233.34)	12.33	(235.70)
8	Exceptional items	-	-	-	(178.55)	-	(178.55)	-
9	Profit/ (Loss) from ordinary activities before tax (7 ± 8)	(30.33)	24.99	(49.58)	(165.43)	(233.34)	(166.22)	(235.70)
10	Tax Expense	-	-	-	-	(7.30)	-	(7.30)
11	Net Profit/(Loss) from ordinary activities after tax (9 ± 10)	(30.33)	24.99	(49.58)	(165.43)	(240.64)	(166.22)	(243.00)
12	Extraordinary items (net of tax expenses ₹ Lakhs)	-	-	-	-	-	-	-
13	Net Profit/(Loss) for the period (11 ± 12)	(30.33)	24.99	(49.58)	(165.43)	(240.64)	(166.22)	(243.00)
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)	(30.33)	24.99	(49.58)	(165.43)	(240.64)	(166.22)	(243.00)
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	1,428.31
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	(649.63)	(455.97)	(649.83)	(455.40)
19.	Earnings Per Share (before Extraordinary Items) (of ₹ 10/- each) (not annualised):							
	(a) Basic	(0.21)	0.17	(0.35)	(1.16)	(1.68)	(1.16)	(1.70)
	(b) Diluted	(0.21)	0.17	(0.35)	(1.16)	(1.68)	(1.16)	(1.70)
19.	Earnings Per Share (after Extraordinary Items) (of ₹ 10/- each) (not annualised):							
	(a) Basic	(0.21)	0.17	(0.35)	(1.16)	(1.68)	(1.16)	(1.70)
	(b) Diluted	(0.21)	0.17	(0.35)	(1.16)	(1.68)	(1.16)	(1.70)
	See accompanying notes to the financial results.							

PART II

Select information for the quarter and year ended 31/03/2015

PART II	Particulars	Standalone				Consolidated Group		
		3 months ended			Year to date for the year ended		Year to date for the year ended	
		31/03/2015	31/12/2014	31/03/2014	31/03/2015	31/03/2014	31/03/2015	31/03/2014
A	PARTICULARS OF SHAREHOLDING							
1	Public Shareholding							
	- Number of shares	7,262,163	7,262,163	7,671,365	7,262,163	7,671,365	7,262,163	7,671,365
	- Percentage of shareholding	50.84	50.84	53.71	50.84	53.71	50.84	53.71
2	Promoters and Promoter group Shareholding							
	a) Pledged/ Encumbered							
	- Number of shares	4,630,157	400,000	400,000	4,630,157	400,000	4,630,157	400,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	65.95	5.70	6.05	65.95	6.05	65.95	6.05
	- Percentage of shares (as a % of the total share capital of the company)	32.42	2.80	2.80	32.42	2.80	32.42	2.80
	b) Non - encumbered							
	- Number of shares	2,390,819	6,620,976	6,211,774	2,390,819	6,211,774	2,390,819	6,211,774
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	34.05	94.30	93.95	34.05	93.95	34.05	93.95
	- Percentage of shares (as a % of the total share capital of the company)	16.74	46.36	43.49	16.74	43.49	16.74	43.49
	Particulars	3 months ended 31/03/2015						
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				

NOTES:

- The aforesaid audited results were reviewed by the Audit Committee and thereafter approved and were taken on record by the Board at its meeting held on May 29, 2015.
- Statement of assets and liabilities as at end of March 31, 2015 is as under:-

(₹ In Lakhs)

PART II	Particulars	Standalone		Consolidated Group	
		As at 31/03/2015 Audited	As at 31/03/2014 Audited	As at 31/03/2015 Audited	As at 31/03/2014 Audited
A	EQUITY AND LIABILITIES				
1	Shareholders' funds				
	(a) Share capital	1,428.31	1,428.31	1,428.31	1,428.31
	(b) Reserves and surplus	(649.63)	(455.97)	(649.83)	(455.40)
	Sub-total - Shareholders' funds	778.69	972.34	778.48	972.91
2	Non-current liabilities				
	(a) Long-term provisions	48.36	33.40	48.36	33.40
	Sub-total - Non-current liabilities	48.36	33.40	48.36	33.40
3	Current liabilities				
	(a) Short-term borrowings	878.81	794.62	878.81	794.62
	(b) Trade payables	373.15	243.80	375.84	246.37
	(c) Other current liabilities	110.52	28.75	110.52	28.75
	(d) Short-term provisions	21.17	19.80	21.17	19.80
	Sub-total - Current liabilities	1,383.65	1,086.97	1,386.33	1,089.53
	TOTAL - EQUITY AND LIABILITIES	2,210.70	2,092.70	2,213.18	2,095.84
B	ASSETS				
1	Non-current assets				
	(a) Fixed assets	907.15	913.57	907.15	913.57
	(b) Non-current investments	35.00	-	35.00	-
	(c) Long-term loans and advances	345.94	273.18	345.94	273.18
	Sub-total - Non-current assets	1,288.09	1,186.75	1,288.09	1,186.75
2	Current assets				
	(a) Trade receivables	445.61	313.97	447.18	315.48
	(b) Cash and cash equivalents	11.11	7.01	12.02	8.64
	(c) Short-term loans and advances	210.26	398.92	210.26	398.92
	(d) Other current assets	255.63	186.05	255.63	186.05
	Sub-total - Current assets	922.61	905.95	925.09	909.09
	TOTAL - ASSETS	2,210.70	2,092.70	2,213.18	2,095.84

- The financial results for the quarter ended 31st March, 2015 and 31st March, 2014 are balancing figures between audited results for the full financial year and the published year to date figures up to the third quarter of the respective financial year.
- Consequent to enactment of the Companies Act, 2013 and its applicability w.e.f. 1st April 2014, the Company has reworked depreciation on the basis of the useful lives of assets as prescribed in Part 'C' of schedule II of the Act. As a result depreciation for the quarter and year ended 31st March, 2015 is lower by ₹2.57 Lacs and ₹6.35 lacs respectively, due to change in the useful lives of certain assets.
- In case of assets where the remaining useful life as on 1st April 2014 is Nil, the carrying amount of such assets have been adjusted to the opening balance of Retained Earnings after retaining their residual value. Accordingly, a sum of ₹28.23 Lacs has been adjusted against Opening Reserves during the quarter ended 30th June 2014.
- The Annual Consolidated Financial Results have been prepared by consolidating audited financial statements of Holding Company and one subsidiary Melstar Inc. incorporated in USA.
- There is no qualification in the Independent Auditor's Report on Standalone Financial Statements. The Independent Auditor's Report on Consolidated Financial Statements has been qualified by the Auditor with respect to preparation of financial statements of subsidiary on a going concern basis though the financial statements and management's current plan do not reflect that the subsidiary will continue as a going concern. The financial statements do not include any adjustments relating to the recoverability and classification of assets carrying amounts or the amount and classification of liabilities that might result should the subsidiary be unable to continue as a going concern.
- In the opinion of the management, since the carrying amounts of the assets of the subsidiary in the consolidated financial statements is not material, no adjustments relating to the recoverability and classification of the recorded assets amounts at the consolidated level are necessary. Further, all the liabilities of this subsidiary is appropriately classified in the consolidated financial statements and hence no adjustments to their classification would be necessary, if this entity is unable to continue on going concern basis.
- The figures of the previous period / year have been regrouped/ reclassified wherever necessary to conform to current period's classification.

Segment-wise revenue, results and capital employed for the quarter and year ended March 31, 2015

(₹ In Lakhs)

Sr. No.	Particulars	Standalone				Consolidated Group		
		3 months ended			Year to date for the year ended		Year to date for the year ended	
		31/03/2015 (Audited)	31/12/2014 (Unaudited)	31/03/2014 (Audited)	31/03/2015 (Audited)	31/03/2014 (Audited)	31/03/2015 (Audited)	31/03/2014 (Audited)
1	Segment Revenue							
	(a) Asia-Pacific	674.84	546.25	447.15	2,211.64	1,716.48	2,211.64	1,716.48
	(b) USA	1.39	0.79	4.01	18.25	113.22	18.25	150.19
	(c) Others	9.03	8.48	1.93	26.34	30.34	26.34	30.34
	Total	685.25	555.52	453.09	2,256.22	1,860.04	2,256.23	1,897.01
	Less: Inter-segment Revenue	-	-	-	-	-	-	-
	Total Segment Revenue	685.25	555.52	453.09	2,256.22	1,860.04	2,256.23	1,897.01
2	Segment results (Profit/ (Loss) before tax and interest but after Exceptional Items)							
	(a) Asia-Pacific	27.33	87.88	(9.98)	146.89	(142.66)	146.89	(142.66)
	(b) USA	(3.53)	(2.57)	1.55	(2.45)	10.26	(3.23)	7.90
	(c) Others	3.80	4.19	1.14	12.38	23.19	12.38	23.19
	Total	27.59	89.50	(7.29)	156.81	(109.21)	156.03	(111.57)
	Less: Interest	34.85	40.20	25.23	133.76	90.04	133.76	90.04
	Less: Un-allocated Expenses net of unallocable income	23.07	24.31	17.06	188.48	34.09	188.48	34.09
	Profit/ (Loss) before tax	(30.33)	24.99	(49.58)	(165.43)	(233.34)	(166.21)	(235.70)
	Tax expenses	-	-	-	-	(7.30)	-	(7.30)
	Profit/ (Loss) after tax	(30.33)	24.99	(49.58)	(165.43)	(240.64)	(166.21)	(243.00)
3	Capital employed (Segment Assets less Segment Liabilities)							
	(a) Asia-Pacific	895.55	917.85	676.53	895.55	676.53	895.55	676.53
	(b) USA	1.96	(3.77)	0.81	1.96	0.81	1.76	1.38
	(c) Others	3.53	5.63	0.60	3.53	0.60	3.53	0.60
	(d) Un-allocated	(122.36)	(110.68)	294.40	(122.36)	294.40	(122.36)	294.40
	Total	778.68	809.03	972.34	778.68	972.34	778.48	972.91

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 different risk and returns.
- (b) The segments are Asia Pacific, USA and other.
- 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 Melstar Information Technologies Limited

Sd/-

Place: Mumbai

Date: May 29, 2015