

STARCOM INFORMATION TECHNOLOGY LIMITED

CIN No.: L67120KA1995PLC078846

Regd. Office : Sheriff Centre, 73/1, St Mark's Road, Bengaluru - 560 001

Extract of Statement of Audited Financial Results for the Quarter and Year Ended 31st March, 2021.**(Rs. In Lacs)**

Particulars	Quarter Ended			Year Ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited*	Unaudited	Audited*	Audited	Audited
1 Total Income from Operations (net)	108.59	188.77	142.31	650.76	1,029.88
2 Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	(161.07)	(5.14)	(108.89)	(240.72)	(104.19)
3 Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	(161.07)	(5.14)	(108.89)	(240.72)	(104.19)
4 Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	(174.39)	(5.35)	(107.54)	(252.34)	(103.79)
5 Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(147.74)	(3.76)	(103.46)	(220.93)	(97.44)
6 Equity Share Capital (Face Value Rs. 10/- per share)	500.06	500.06	500.06	500.06	500.06
7 Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of previous year	(569.83)	(569.83)	(251.46)	(569.83)	(251.46)
8 Earnings Per Share (of Rs. 10/- each) (for continuing and discontinued operations) (not annualised)					
a. Basic:	(3.49)	(0.11)	(2.15)	(5.05)	(2.08)
b. Diluted:	(3.49)	(0.11)	(2.15)	(5.05)	(2.08)

Notes:

The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the quarterly results is available on the Company's website at www.starcominfotech.com and the Stock Exchange websites at www.bseindia.com.

For and on behalf of the Board



Mr. Ziaulla Sheriff
Director
DIN - 00002098

Date : 30th June, 2021
Place : Bengaluru

STARCOM INFORMATION TECHNOLOGY LIMITED
 CIN No.: L67120KA1995PLC078846
 Regd. Office : Sheriff Centre, 73/1, St Mark's Road, Bengaluru - 560 001
 Phone: 91 80 2227 8283/ 2227 1797 | Fax : +91 80 222278131
 Email : info@starcominfotech.com | Website: www.starcominfotech.com

Cash flow statement for the year ended 31st March, 2021

Particulars	(Rs. In Lacs)	
	Year ended 31.03.2021 (Audited)	Year ended 31.03.2020 (Audited)
Operating activities		
Profit / (Loss) before exceptional items and tax	(240.72)	(104.19)
Adjustments to reconcile profit before tax to net cash inflow from operating activities		
Finance Cost	100.48	96.62
Depreciation and amortisation expense	45.29	47.62
Interest Income	(86.56)	(89.11)
Remeasurement of defined benefit obligation	42.44	8.58
Provision for expected credit loss on trade receivables	34.20	104.14
Working capital adjustments:-		
(Increase) / Decrease in Inventories	(0.48)	2.05
(Increase) / Decrease in Trade Receivables	57.13	104.61
(Increase) / Decrease in Other Assets	14.07	(1.11)
Increase / (Decrease) in Trade Payables	(23.51)	3.81
Increase / (Decrease) in Provisions	(27.60)	11.84
Increase / (Decrease) in Other Liabilities	(6.49)	174.92
	(91.76)	359.79
Income taxes refund / (paid)	(18.66)	(5.43)
Net cash flow from operating activities	(110.41)	354.36
Investing activities		
Purchase of property, plant & equipment and intangible assets (including intangibles under development)	(181.52)	(360.44)
Fixed deposits	1.87	(0.37)
Interest Income	0.83	3.14
Net cash flow used in investing activities	(178.82)	(357.67)
Financing activities		
Proceeds from / (Repayment) of Long term Borrowings (Net)	79.88	(44.27)
Proceeds from / (Repayment) of Short term Borrowings (Net)	218.53	26.00
Interest expense	(4.29)	(6.73)
Net cash flow from financing activities	294.13	(25.00)
Increase in cash and cash equivalents	4.89	(28.31)
Cash and cash equivalents at the beginning of the year	1.23	29.54
Cash and cash equivalents at the end of the year	6.12	1.23

For and on behalf of the Board



Mr. Ziaulla Sheriff
 Director
 DIN - 00002098

Date : 30th June, 2021
 Place : Bengaluru

STARCOM INFORMATION TECHNOLOGY LIMITED

CIN No.: L67120KA1995PLC078846

Regd. Office : Sheriff Centre, 73/1, St Mark's Road, Bengaluru - 560 001

Phone: 91 80 2227 8283/ 2227 1797 | Fax : +91 80 222278131

Email : info@starcominfotech.com | Website: www.starcominfotech.com

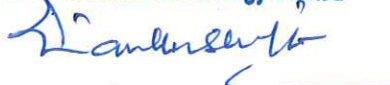
Statement of Audited Financial Results for the Quarter and Year Ended 31st March, 2021.

(Rs. In Lacs)

Particulars	Quarter Ended			Year Ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited*	Unaudited	Audited*	Audited	Audited
1 Income from operations					
(a) Net sales / income from operations	86.46	167.32	113.02	564.10	932.26
(b) Other income	22.13	21.45	29.29	86.66	97.62
Total Income	108.59	188.77	142.31	650.76	1,029.88
2 Expenses					
(a) Purchases of stock-in-trade	41.75	1.39	6.76	127.62	160.03
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.77	-	12.55	(0.48)	2.05
(c) Other Direct Cost	-	36.72	6.06	36.72	56.56
(d) Rent (Refer note 5)	0.51	1.52	(83.11)	5.06	9.09
(e) Employee benefits expense	62.04	66.17	92.44	287.90	374.25
(f) Finance costs	49.88	25.34	25.33	129.90	105.12
(g) Depreciation and amortisation expense	11.27	11.41	12.18	45.29	47.62
(h) Provision for expected credit loss / bad debts	34.20	-	104.14	34.20	104.14
(i) Other expenses	69.26	51.35	74.83	225.27	275.21
Total expenses	269.67	193.91	251.19	891.48	1,134.07
3 Profit / (loss) before tax (1-2)	(161.07)	(5.14)	(108.89)	(240.72)	(104.19)
4 Tax expense					
(1) Current tax	-	-	(1.22)	-	-
(2) Deferred tax	13.31	0.22	(0.13)	11.62	(0.40)
5 Profit/(loss) after tax (3-4)	(174.39)	(5.35)	(107.54)	(252.34)	(103.79)
6 Other comprehensive income / (loss)					
Items that will not be reclassified to Profit or Loss					
- Remeasurement of post employment benefit obligation	36.01	2.15	5.51	42.44	8.58
- Income Tax on Above	(9.36)	(0.56)	(1.43)	(11.04)	(2.23)
Other Comprehensive Income/ (Loss)	26.64	1.59	4.08	31.41	6.35
7 Total Comprehensive Income /(loss)	(147.74)	(3.76)	(103.46)	(220.93)	(97.44)
8 Paid-up equity share capital (Face Value per share of Rs. 10/-)	500.06	500.06	500.06	500.06	500.06
9 Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of previous year	(569.83)	(569.83)	(251.46)	(569.83)	(251.46)
10 Earnings per share (Basic and Diluted) (Rs.)					
i) before extraordinary items (not annualised)	(3.49)	(0.11)	(2.15)	(5.05)	(2.08)
ii) after extraordinary items (not annualised)	(3.49)	(0.11)	(2.15)	(5.05)	(2.08)

* Refer Note 3

For Starcom Information Technology Limited


Director

STARCOM INFORMATION TECHNOLOGY LIMITED

CIN No.: L67120KA1995PLC078846

Regd. Office : Sheriff Centre, 73/1, St Mark's Road, Bengaluru - 560 001

Phone: 91 80 2227 8283/ 2227 1797 | Fax : +91 80 222278131

Email : info@starcominfotech.com | Website: www.starcominfotech.com

Notes :

- 1 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 30th June, 2021. These results have been audited by the statutory auditors of the Company.
- 2 The financial results have been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 3 Figures for the quarter ended 31 March 2021 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end or the third quarter of the relevant financial year. Also the figures up to the end of the third quarter had only been reviewed and not subjected to audit.
- 4 The Company have an overdue statutory dues as on 31st March, 2021 in respect of Sales Tax / Service Tax / Goods and Service Tax of Rs. 226.43 lacs (including interest of Rs. 118.85 lacs), Provident Fund / ESIC / Professional Tax of Rs. 169.70 lacs (including interest of Rs. 69.50 lacs) and Tax Deducted at Source or Rs. 577.58 lacs (including interest of Rs. 219.41 lacs). Though the Company has provided for interest up to 31st March, 2021 in respect of these liabilities, any other consequential impacts as per the respective laws are not ascertained at present. **The Auditor has given modified opinion in this regard.**
- 5 Since the Company is having stress in working capital finance and major funds are utilised in intangible assets under development, it has not able to pay Rs. 660.81 lacs (net of TDS) in respect of rent for the office premises for the period up to 31st March, 2019, which are owned by a promoter (Mr. Ziaulla Sheriff) jointly with his partner in other business. Considering the abovementioned facts and current Covid-19 pandemic situation, the management is hoping for waive off of the rent for the year and also requested to reduce the outstanding for earlier years to the extent possible. Accordingly, the management has reversed a rent provided up to 31st December, 2019 amounting to Rs. 85.39 lacs during the quarter ended 31st March, 2020 and have not provided rent of Rs. 28.46 lacs for the quarter ended 31st March, 2020, 30th June, 2020, 30th September, 2020, 31st Decemeber,2020 and 31st March, 2021 (Rs. 227.69 lacs as on date). **The Auditor has given modified opinion in this regard.**
- 6 The Company is developing a Software related to Business Intelligence and Data Quality Solutions since long time of which carrying value as at 31st March, 2021 is Rs. 2431.03 lacs as Intangible Assets under Development. The management beleives that the expected future economic benefits that are attributable to the asset will flow to the Company. **The Auditor has given modified opinion in this regard.**
- 7 The company has incurred cash losses and its net worth is fully eroded. Further the Company's Current liabilities exceeds its current assets as at the date of the Balance sheet. The Management is pursuing the prospective investors to meet its working capital requirements and is of the opinion that the operations of the Company will make profits in future. Accordingly, the financial statements have been prepared on a going concern basis.
- 8 The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance. The Company has taken into account the possible impact of Covid-19 in preparation of the financial statements, including its assessment of recoverable value of its assets based on internal and external information up to the date of approval of these financial statements and current indicators of future economic conditions. Considering the financial year was affected by the COVID Pandemic, where Educational Institutions were closed for most of the time, in the target segment, purchases have been deferred to the coming semesters, resulting in loss of business of more than 90 %. Most of the products of Starcom are only used in the labs for hands on implementations of applications & experiments, which were not possible as labs were closed all through the year as only online theoretical classes happened. Other Revenue line of services in defence establishment were also badly affected. Not only the defence labs operated with minimum staff, globally service chains were closed. Due to which projects were not completed & revenue generation has been deferred. Many Research & Development establishments were downsized with a spending crunch & unfavourable sentiments, resulted in loss of revenue.
The Management is hopefully for bounce back once the target segment opens up, by leveraging all the open opportunities & converting them into revenue. According to the Management, the Company's negative growth for this year, should be treated in the light of global pandemic affecting business & not anything else.
- 9 Though the company has incurred losses during the current and previous year, the Company has recognised deferred tax asset amounting to Rs. 66.85 lacs as at 31st March, 2021 as management beleives that the Company will generate sufficient profits in near future to realise the same. **The Auditor has given modified opinion in this regard.**
- 10 Figures of the previous period have been reclassified/ regrouped wherever necessary.

For Starcom Information Technology Limited

Director

STARCOM INFORMATION TECHNOLOGY LIMITED

CIN No.: L67120KA1995PLC078846

Regd. Office : Sheriff Centre, 73/1, St Mark's Road, Bengaluru - 560 001

Phone: 91 80 2227 8283/ 2227 1797 | Fax : +91 80 222278131

Email : info@starcominfotech.com | Website: www.starcominfotech.com

11 Segment information :

(Rs. In Lacs)

Particulars	Quarter Ended			Year Ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited	Unaudited	Audited	Audited	Audited
1 Segment Revenue					
a. Test, Measurement & Embedded Solutions for Educational Sector	51.41	5.23	12.97	186.34	215.08
b. Data Quality, Statistical & Analytics Software's	35.05	162.09	100.06	377.76	717.19
Total	86.46	167.32	113.03	564.10	932.26
2 Segment Results					
a. Test, Measurement & Embedded Solutions for Educational Sector	14.49	0.84	1.42	20.57	24.78
b. Data Quality, Statistical & Analytics Software's	30.09	62.19	23.75	154.43	371.15
Total	44.58	63.03	25.17	175.01	395.93
Less :					
i) Finance costs	49.89	25.34	25.33	129.90	105.12
ii) Un-allocable expenses net off income	155.77	42.82	108.72	285.83	395.00
Total Profit / (Loss) before tax	(161.09)	(5.15)	(108.89)	(240.72)	(104.18)
Less: Tax Expenses	13.31	0.22	(1.35)	11.62	(0.40)
Net Profit / (Loss) after tax	(174.40)	(5.36)	(107.54)	(252.34)	(103.78)
3 Segment Assets					
a. Test, Measurement & Embedded Solutions for Educational Sector	58.59	64.55	55.35	58.59	55.35
b. Data Quality, Statistical & Analytics Software's	3,494.86	3,496.72	3,456.64	3,494.86	3,456.64
Unallocated	165.23	193.95	176.96	165.23	176.96
Total	3,718.68	3,755.22	3,688.95	3,718.68	3,688.95
4 Segment Liabilities					
a. Test, Measurement & Embedded Solutions for Educational Sector	38.31	31.60	90.07	38.31	90.07
b. Data Quality, Statistical & Analytics Software's	38.31	47.56	22.91	38.31	22.91
Unallocated	3,713.72	3,598.08	3,424.81	3,713.72	3,424.81
Total	3,790.35	3,677.24	3,537.79	3,790.35	3,537.79

For Starcom Information Technology Limited



Director

STARCOM INFORMATION TECHNOLOGY LIMITED

CIN No.: L67120KA1995PLC078846

Regd. Office : Sheriff Centre, 73/1, St Mark's Road, Bengaluru - 560 001

Phone: 91 80 2227 8283/ 2227 1797 | Fax : +91 80 222278131

Email : info@starcominfotech.com | Website: www.starcominfotech.com

Statement of Assets and Liabilities

Particulars		(Rs. In Lacs)	
		As at 31.03.2021 (Audited)	As at 31.03.2020 (Audited)
A	ASSETS		
	A) Non-current assets		
	a) Property, Plant and Equipment	12.67	15.80
	b) Other Intangible Assets	236.27	278.05
	c) Intangible Assets Under Developments (Refer note 6)	2,431.03	2,249.87
	d) Financial Assets		
	Other Financials Assets	57.29	48.50
	e) Deferred Tax Assets	62.33	84.99
	f) Other non-current assets	10.88	14.69
	g) Income Tax Assets (Net)	18.06	-
	Total Non-current assets	2,828.53	2,691.91
	A) Current assets		
	a) Inventories	5.59	5.12
	b) Financial Assets		
	i) Trade receivables	861.67	953.00
	ii) Cash and cash equivalents	6.12	1.23
	iii) Other Bank Balances	0.56	2.43
	iv) Others Financial Assets	15.87	24.22
	c) Other current assets	0.34	11.04
	Total Current assets	890.16	997.04
	Total Assets	3,718.68	3,688.95
B	EQUITY AND LIABILITIES		
	EQUITY		
	a) Equity Share Capital	500.06	500.06
	b) Other Equity	(569.83)	(348.90)
	Total Equity	(69.77)	151.16
	LIABILITIES		
	A) Non-current liabilities		
	a) Financial Liabilities		
	Long-term borrowings	1,443.43	1,353.52
	b) Other non current liabilities	20.74	20.74
	c) Non-current provisions	51.59	74.69
	Total Non-current liabilities	1,515.76	1,448.95
	B) Current liabilities		
	a) Financial Liabilities		
	(i) Short term Borrowing	244.53	26.00
	(ii) Trade payables	998.00	1,021.52
	(iii) Other financials liabilities	14.23	13.80
	b) Other current liabilities	1,011.61	1,018.09
	c) Current provisions	4.32	8.83
	d) Income tax liabilities (net)	-	0.60
	Total current liabilities	2,272.70	2,088.84
	TOTAL - EQUITY AND LIABILITIES	3,718.68	3,688.95

For and on behalf of the Board



Mr. Ziaulla Sheriff
Director
DIN - 00002098

Date : 30th June, 2021

Place : Bengaluru