Starcom Information Technology Limited
"Times Square", No.88, MG Road, Bangalore - 560 001
Phone: +91-80-67650000 Email: info@starcominfotech.com
Website: www.starcominfotech.com

14th August 2023

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Dear Ma'am/ Sir,

Subject: Outcome of Board Meeting.

Ref: Starcom Information Technology Limited (CIN: L67120KA1995PLC078846) (Scrip code: 531616)

We wish to inform you that pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Board of Directors in the Board Meeting was held on 14.08.2023 at #88, Times Square, MG Road, Bangalore – 560001, from 2:30 PM to 3:40 PM. The Board in its meeting has along with other items approved the unaudited financial results of the Company for the first quarter ended June 30, 2023 and taken on record the Limited Review Report on the unaudited standalone financial results of the company for the quarter ended June 30, 2023 received from the statutory Auditors of the Company.

We request you to take the above on record and disseminate the same on your website.

Thanking you,
For and on Behalf of
Starcom Information Technology Limited

Starcom Information Technology Limited BANGALORE

Joydeep Sarkar
Company Secretary & Compliance Officer
PAN: GEDPS6725H

Date: 14.08.2023
Place: Bengaluru

STARCOM INFORMATION TECHNOLOGY LIMITED

CIN No.: L67120KA1995PLC078846

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

Extract of Statement of Unaudited Financial Results for the Quarter Ended 30th June, 2023.

(Rs. In Lacs)

	Particulars	Quarter Ended			Year ended
		30.06.2023	31.03.2023	31.03.2021	31.03.2023
		Unaudited	Audited	Unaudited	Audited
1	Total Income from Operations (net)	67.32	50.01	48.35	202.01
2	Net Profit / (Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	(125.31)	(151.99)	(139.46)	(553.98)
3	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary items)	(125.31)	(151.99)	(139.46)	(553.98)
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items)	(117.28)	(143.84)	(131.12)	(524.30)
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(115.56)	(144.63)	(128.55)	(517.41)
6	Equity Share Capital (Face Value Rs. 10/- per share)	500.06	500.06	500.06	500.06
7	Other equity (excluding Revaluation Reserve)				(1,609.27)
8	Earnings Per Share (of Rs. 10/- each) (for continuing and discontinued operations) (not annualised)				
	a. Basic:	(2.35)	(2.88)	(2.62)	(10.48)
	b. Diluted:	(2.35)	(2.88)	(2.62)	(10.48)

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

Starcom Information Technology Limited BANGALORE

Mr. Ziaulla Sheriff
Director
DIN - 00002098

Date : 14th August, 2023
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 Unaudited Financial Results for the Quarter Ended 30th June, 2023.

(Rs. In Lacs)

	Particulars	Quarter Ended			Year Ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		Unaudited	Audited	Unaudited	Audited
1	**Income from operations**				
	(a) Net sales / income from operations	67.26	49.74	46.11	201.67
	(b) Other income	0.06	0.26	2.24	0.33
	Total Income	**67.32**	**50.01**	**48.35**	**202.01**
2	**Expenses**				
	(a) Purchases of stock-in-trade	39.42	15.02	23.84	77.51
	(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(0.15)	5.69	(10.87)	1.61
	(e) Employee benefits expense	65.78	57.01	84.59	286.10
	(f) Finance costs	13.39	12.30	12.24	49.02
	(g) Depreciation and amortisation expense	10.74	10.81	10.84	43.58
	(h) Provision for expected credit loss / bad debts	21.27	33.20	17.17	85.08
	(i) Other expenses	42.18	67.96	50.01	213.08
	Total expenses	**192.63**	**202.00**	**187.81**	**755.99**
3	**Profit / (loss) before tax (1-2)**	**(125.31)**	**(151.99)**	**(139.46)**	**(553.98)**
4	**Tax expense**				
	(1) Current tax	-	-	-	-
	(2) Deferred tax	(8.03)	(8.15)	(8.35)	(29.68)
5	**Profit/(loss) after tax (3-4)**	**(117.28)**	**(143.84)**	**(131.12)**	**(524.30)**
6	**Other comprehensive income / (loss)**				
	Items that will not be reclassified to Profit or Loss				
	- Remeasurement of post employment benefit obligation	2.33	(1.08)	3.46	9.30
	- Income Tax on Above	(0.60)	0.28	(0.90)	(2.42)
	Other Comprehensive Income/ (Loss)	**1.72**	**(0.79)**	**2.56**	**6.89**
7	**Total Comprehensive Income /(loss)**	**(115.56)**	**(144.63)**	**(128.55)**	**(517.41)**
8	Paid-up equity share capital (Face Value per share of Rs. 10/-)	500.06	500.06	500.06	500.06
9	Other Equity (excluding Revaluation Reserve)				(1,609.27)
10	**Earnings per share (Basic and Diluted) (Rs.)**				
	i) before extraordinary items (not annualised)	(2.35)	(2.88)	(2.62)	(10.48)
	ii) after extraordinary items (not annualised)	(2.35)	(2.88)	(2.62)	(10.48)

For Starcom Information Technology Limited

Director

Starcom Information Technology Limited BANGALORE

STARCOM INFORMATION TECHNOLOGY LIMITED
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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 14th August, 2023. and have undergone "Limited Review" by the statutory auditor 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 The figures of the last quarter ended on 31st March, 2023 are the balancing figures between the audited figures in respect of full financial year and the published year to date figures up to the third quarter ended December 31, 2022.

4 The Company have an overdue statutory dues as on 30th June, 2023 in respect of Sales Tax / Service Tax / Goods and Service Tax of Rs. 272.02 lacs (including interest oi Rs. 152.24 lacs), Provident Fund / ESIC / Professional Tax of Rs. 225.14 lacs (including interest of Rs. 114.56 lacs) and Tax Deducted at Source of Rs. 822.89 lacs (including interest of Rs. 405.25 lacs). Though the Company has provided for interest up to 30th June, 2023 in respect of these liabilities, any other consequential impacts as per the respective laws are not ascertained at present. **The Auditor has given modified observations 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 not provided a rent from 1st April, 2019 to 30th June, 2023 amounting to Rs. 483.82 lacs (including Rs. 28.46 lacs for the quarter ended 30th June, 2023). **The Auditor has given modified observations 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 30th June, 2023 is Rs. 2431.02 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 observations 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 Though the company has incurred losses during the current quarter and previous year, the Company has recognised deferred tax asset amounting to Rs. 138.91 lacs as at 30th June, 2023 as management beleives that the Company will generate sufficient profits in near future to realise the same. **The Auditor has given modified observations in this regard.**

9 Figures of the previous period have been reclassified/ regrouped wherever necessary.

For Starcom Information Technology Limited

Director

Starcom Information Technology Limited BANGALORE

STARCOM INFORMATION TECHNOLOGY LIMITED
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10 **Segment information :**

(Rs. In Lacs)

	Particulars	Quarter Ended			
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		Unaudited	Audited	Unaudited	Audited
1	**Segment Revenue**				
	a. Test, Measurement & Embedded Solutions for Educational Sector	56.82	23.46	23.27	108.78
	b. Data Quality, Statistical & Analytics Software's	10.44	26.28	22.84	92.89
	Total	**67.26**	**49.74**	**46.11**	**201.67**
2	**Segment Results**				
	a. Test, Measurement & Embedded Solutions for Educational Sector	16.69	3.09	11.11	36.30
	b. Data Quality, Statistical & Analytics Software's	6.26	11.08	11.42	42.25
	Total	**22.96**	**14.17**	**22.53**	**78.55**
	Less :				
	i) Finance costs	13.39	12.30	12.24	49.02
	ii) Un-allocable expenses net off income	134.88	153.86	149.75	583.51
	Total Profit / (Loss) before tax	**(125.31)**	**(151.99)**	**(139.46)**	**(553.98)**
	Less: Tax Expenses	(8.03)	(8.15)	(8.35)	(29.68)
	Net Profit / (Loss) after tax	**(117.28)**	**(143.84)**	**(131.12)**	**(524.30)**
3	**Segment Assets**				
	a. Test, Measurement & Embedded Solutions for Educational Sector	72.75	80.92	107.99	80.92
	b. Data Quality, Statistical & Analytics Software's	3,035.37	3,066.20	3,196.83	3,066.20
	Unallocated	196.55	185.66	214.72	185.66
	Total	**3,304.67**	**3,332.78**	**3,519.55**	**3,332.78**
4	**Segment Liabilities**				
	a. Test, Measurement & Embedded Solutions for Educational Sector	189.45	49.91	66.87	49.91
	b. Data Quality, Statistical & Analytics Software's	5.17	12.66	7.13	12.66
	Unallocated	4,334.82	4,379.42	4,165.89	4,379.42
	Total	**4,529.44**	**4,441.99**	**4,239.89**	**4,441.99**

Starcom Information Technology Limited BANGALORE

For and on behalf of the Board

Mr. Ziaulla Sheriff
Director
DIN - 00002098

Date : 14th August, 2023
Place : Bengaluru

Limited Review Report on Unaudited Standalone Financial Results of Starcom Information Technology Limited for the quarter ended June 30, 2023 pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To,
The Board of Directors
Starcom Information Technology Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Starcom Information Technology Limited (The "Company"), for the quarter ended on June 30, 2023. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. 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 statements are free of material misstatement.

3. A review is limited primarily to inquiries of company personnel and analytical procedure 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.

4. *As stated in note 4 to the Statement, the Company have an overdue statutory dues as on 30th June, 2023 in respect of Sales Tax / Service Tax / Goods and Service Tax of Rs. 272.02 lacs (including interest oi Rs. 152.24 lacs), Provident Fund / ESIC / Professional Tax of Rs. 225.14 lacs (including interest of Rs. 114.56 lacs) and Tax Deducted at Source of Rs. 822.89 lacs (including interest of Rs. 405.25 lacs). Though the Company has provided for interest up to 30th June, 2023 in respect of these liabilities, any other consequential impacts as per the respective laws are not ascertained at present. Accordingly, We are unable to comment upon the resultant effect of same on the Assets, Liability and Loss of the company.*

5. *As stated in note 5 to the Statement, the Company has not provided rent for the quarter ended 30th June, 2023 amounting to Rs. 28.46 lacs in respect of office premises owned by a promoter of the Company jointly with his partner in other business since the Company is having stress in working capital finance and major funds were utilised in intangible assets under development and current situation. Had these expenses have been recognised by the Company, Rent expense, loss for the quarter would have been higher by Rs. 28.46 lacs and liabilities and debit balance of other equity would have been higher by Rs. 483.82 lacs as at 30th June, 2023.*

6. *Attention is invited to Note no. 6 in respect of Intangible Assets under Development amounting to Rs. 2431.02 lacs which is not completed since long time. In the absence of appropriate audit evidence, we are unable to comment whether it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and impairment loss if any in respect of the same. Accordingly, We are unable to comment upon the resultant effect of same on the Assets, Liability and Loss of the company.*

CAS & Co. CHARTERED ACCOUNTANTS MUMBAI

7. *Attention is invited to Note No. 7 to the accompanying Statement which indicate that 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. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the company has prepared its financials on going concern basis, as 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.*

8. *Attention is invited to Note no. 8 in respect of deferred tax assets amounting to Rs. 138.91 lacs, in the absence of appropriate audit evidence for reasonable certainty of its realisation, had the said deferred tax assets have not been recognised, loss for the quarter and year end, debit balance of other equity would have been higher by and assets would have been lower by Rs. 138.91 lacs.*

9. Based on our review conducted as above, *except for the observations as stated in para 4 to 8 above,* nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For C A S & CO
Chartered Accountants
Firm's Registration No. 111075W

CAS & Co. MUMBAI CHARTERED ACCOUNTANTS

Ajad Mehata
Partner
Mem. No. 139040
UDIN: 23139040BGXSYH2890

Place: Mumbai
Date: 14th August , 2023