



15th Annual Report 2001–2002

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An Application Management Company



Board of Directors

Mr. Suresh Bansal	<i>Chairman</i>
Mr. S.M.Arora	<i>Managing Director</i>
Mr. Sattar Shaikh	<i>Executive Director</i>
Mr. Bharat Ramani	<i>Executive Director</i>
Mr. Anthony Gale	<i>Director</i>
Mr. M.R.Lal	<i>Director</i>
Mr. Darius Pandole	<i>Director</i>
Mr. Gautam Doshi	<i>Director</i>

CFO & Company Secretary

Mr. Satish V. Menon

Main Bankers

Citibank N.A.
The Vysya Bank Limited

Auditors

Deloitte Haskins & Sells
Chartered Accountants

Internal Auditors

Gupta Maheshwari & Jain
Chartered Accountants

Legal Advisor

Mr. M.R.Lal
Advocate
F-2/701, Poonam Kunj,
Poonam Nagar,
Andheri East,
Mumbai 400 093.

Registrars & Share Transfer Agents

MCS Limited
Venkatesh Bhavan, Road No.11,
MIDC, Andheri East,
Mumbai – 400 093.
Tel: 8255235 Fax: 8350456

Registered Office

Melstar House, G-4, MIDC Cross Road 'A',
Andheri (East), Mumbai - 400 093.
Tel.: 8310505 • Fax: 8310520

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Suresh Bansal - Chairman

Mission

“

To offer highest value proposition to
Global Customers in the area
of Application Management Services
by providing them with
a unique sustainable
Cost Reduction Model
on long term basis.

”

KEY MANAGEMENT PERSONNEL

NAME	DESIGNATION	EXPERIENCE (YRS.)
Suresh Bansal	Group CEO	26
S.M. Arora	Corporate Adviser	37
Sattar Shaikh	CEO - APAC	24
Bharat Ramani	CEO - INDIA	18
Tony Gale	CEO - UK	30
Ian Soden	CEO - USA	25
Warren Riddell	CEO - Australia	22
Satish Menon	Chief Financial Officer & Company Secretary	17
Dr. Paresh Paul	VP - Development - India	11
Kevin Osborn	Director - Insurance	25
Eddie Tait	Practice Manager - Ins.	12
Pradeep Nigam	VP - Marketing - N.Y.	18
Jeremy de Lima	VP - Software - Dev - N.Y.	24
Tushar Desai	VP - Marketing - SJ	20
Dr. R.C. Tripathy	Head - Quality Process	24
Peter Ferns	VP - Banking Practice - N.Y.	21
Chris Wood	Business Head - Banking	25



OVERVIEW

Corporate Office : Mumbai

460 Development Seats, 5 Facilities
Facilities : Mumbai, Bangalore, London

Established : 1986
Manpower : 360

Domain Focus

Banking, Insurance, E-Gov't



Indian Offices

Mumbai, Chennai,
Hyderabad, Bangalore

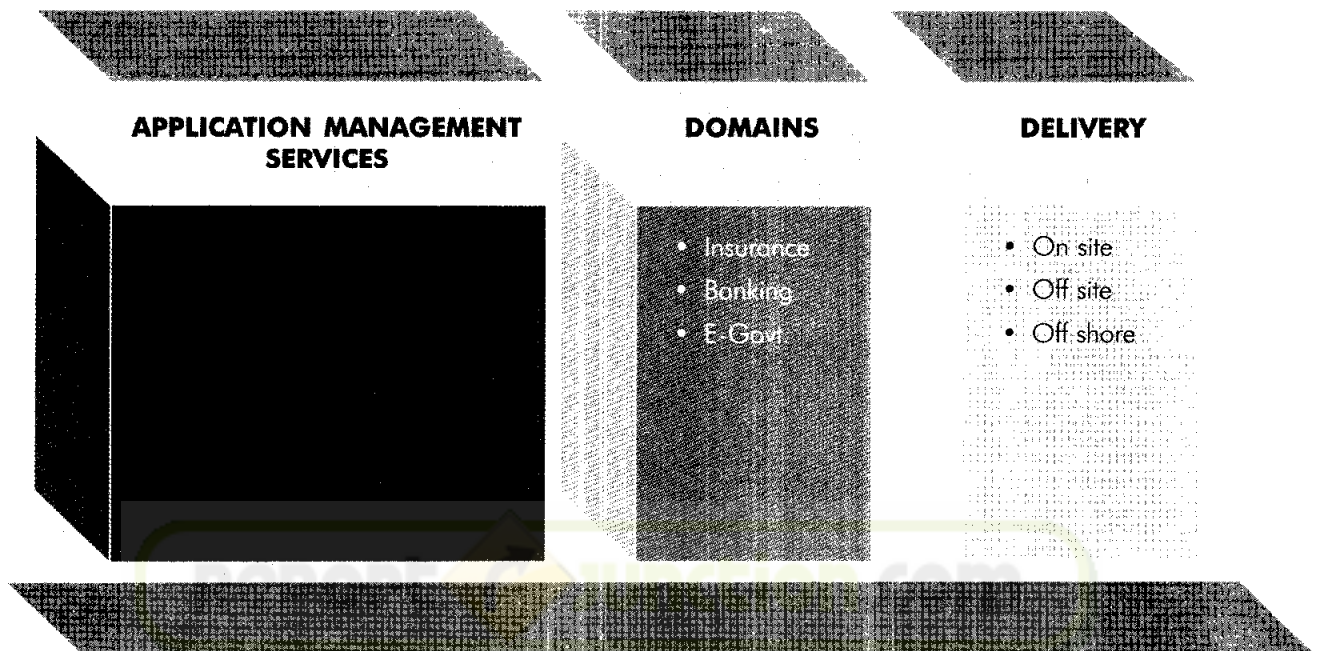
International Offices

New York, San Jose, London,
Singapore, Sydney

SEI - CMM Level - III Assessed
ISO - 9001 : 2000 Certified
on the way to Level V



BUSINESS MODEL



Technology : IBM, Oracle, Sun, and Microsoft

Products : Active Doc, Right Desk Export, Orbitech, Livelink, Globus

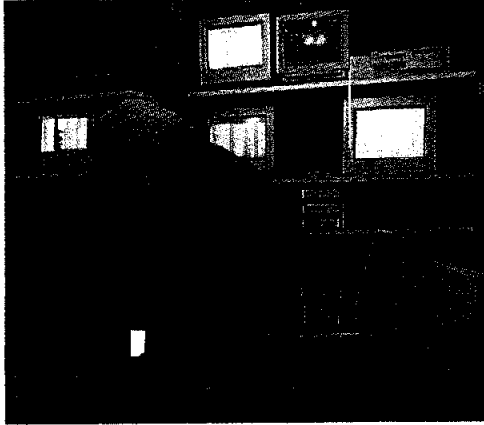


OUR STRENGTHS

- **A decade of successes and growth**
- **Experienced management team**
- **Credible references, proven track record**
- **Young, dynamic, technically skilled developers**
- **State-of-the-art infrastructure**
- **Five software development facilities world-wide**
- **SEI-CMM Level-III assessed, ISO 9001:2000 certified**
- **A public listed company on BSE and NSE in India**
- **Fortune 500 customers - IBM, SSB,
Lloyd's, Citibank, Standard Chartered Bank**



MELSTAR OFFERINGS



APPLICATION SOLUTIONS

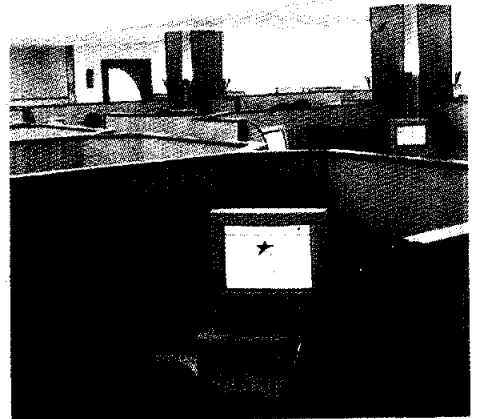
- Melstar has developed numerous Application Solutions
- These solutions are built around world class products such as LiveLink, Active Document, Active Workflow, Websphere and Right Desk
- Ready solutions available for Workflow Management, Document Management and Records Management
- Ready Solutions for Contents Management & Knowledge Management for the banking & Insurance Industries

MELSOFT

- Melsoft is the Software Development Facility provided, managed and financed by Melstar. Used by customers as if were their own facility, eliminating - Set Up Infrastructure, HR, Management and Overhead Costs
- Melsoft offers complete Control, Quality, Productivity, Confidentiality and Security

TESTING

- Testing is a major focus area for Melstar
- A centre of excellence for testing with 120 seats
- Dedicated Global Knowledge-Net for Testing Business
- Large pool of onsite-off-shore resources for testing
- Expertise in tools such as Win Runner Test Director
- Specialist in application testing including System and User Acceptance, Stress Testing, Local Testing, Regression Testing, Environment Testing etc.

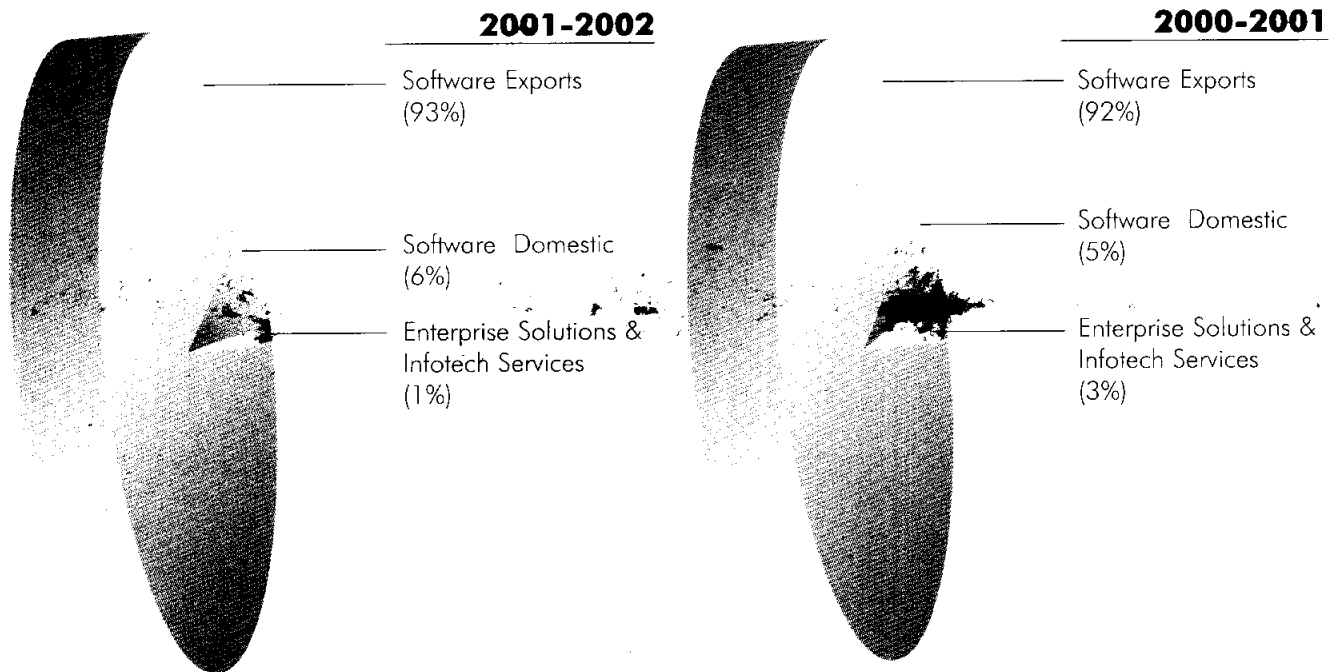




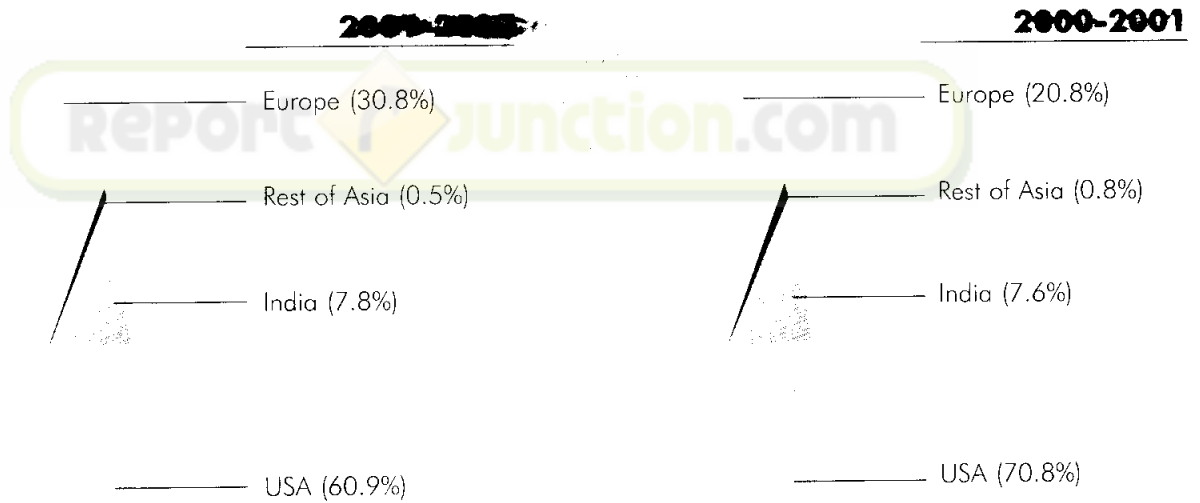
FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED 31ST MARCH 2000, 2001 & 2002

	Rs. Lakhs		
	2001-2002	2000-2001	1999-2000
REVENUE FROM OPERATIONS			
Software Sales	4267	6543	3094
Other Sales	266	160	555
	4533	6703	3649
OTHER INCOME	107	153	23
TOTAL REVENUES	4640	6856	3672
a) Increase / decrease in stock in trade	35	99	82
b) Consumption of raw material	—	—	—
c) Staff Cos.	726	1160	596
d) Software Development expenses	2581	3125	760
e) Purchase of products	—	165	809
f) Others	908	1181	611
TOTAL EXPENDITURE	4250	5730	2858
OPERATING INCOME	390	1126	814
Interest Charges	81	9	45
Depreciation	237	183	132
PBT- OPERATIONAL	72	934	637
Extraordinary Income	—	—	380
Tax	10	36	3
PROFIT AFTER TAX (A)	62	898	1014
Prior Year / Extraordinary items	70	7	-7
PROFITS AFTER TAXATION	132	905	1007
PAID UP EQUITY SHARE CAPITAL	1382	1382	1215
RESERVES	2466	5329	2413
BASIC EPS	0.45	7.2	6.2
(Excluding Extraordinary & Prior Period Items)			
DILUTED EPS	0.44	7.2	6.2
(Excluding Extraordinary & Prior Period Items)			

CONTRIBUTION TO REVENUE



COUNTRYWISE SALES





Notice

Notice is hereby given that the Fifteenth Annual General Meeting of Melstar Information Technologies Limited will be held at AIPMA House, A-52, Road No.1, MIDC, Marol, Andheri East, Mumbai 400 093 on Wednesday, the 31st July 2002 at 11 a.m to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March 2002, the Profit & Loss Account for the year ended on that date and the report of the Directors and Auditors thereon.
2. To elect a Director in the place of Mr.Bharat Ramani, who retires by rotation at this Meeting and, being eligible, offers himself for re-election.
3. To elect a Director in the place of Mr.Sattar Shaikh, who retires by rotation at this Meeting and, being eligible, offers himself for re-election.
4. To elect a Director in the place of Mr.M.R.Lal, who retires by rotation at this Meeting and, being eligible, offers himself for re-election.
5. To reappoint M/s.Deloitte Haskins & Sells, Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
6. To authorise the Board to appoint Branch Auditors, in consultation with the Statutory Auditors of the Company, for all the overseas branch offices to act as such from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and that the Proxy need not be a member of the Company. In order to be valid, the instrument appointing the proxy must be deposited at the registered office of the Company not later than 48 hours before the scheduled time of the meeting.
2. Members / Proxies should fill the Attendance Slip for attending the Meeting.
3. The Register of Members of the Company shall remain closed from 26th July to Tuesday, the 30th July 2002 (both days inclusive) for the purpose of the Annual General Meeting.

4. Consequent upon the introduction of Section 109A of the Companies Act, 1956, members are entitled to make nomination in respect of shares held by them. Members desirous of making nominations are requested to send their requests in Form No.2B (which will be made available on request) to the Company's Registrars and Share Transfer Agents in case the shares are held in physical form and to the Depository Participants in case the shares are held in electronic form.
5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries in writing to the Company Secretary at least seven days before the date of the meeting so that the information required may be made available at the meeting.
6. **Additional Information required under Clause 49 of the Listing Agreement**

Item - 2

Mr. Bharat Ramani, aged 40, holds a Bachelors Degree in Electrical Engineering from VJTI and Masters in Marketing Management from NMIMS. He has over 17 years of experience in the IT industry at executive and Board level positions.

Mr. Bharat Ramani was a Whole-time Director of the Company from November 1991 to 31.3.1999. Prior to the current appointment his services were placed at the disposal of the Company's Subsidiary Melstar Inc as President and he was also associated with Melstar UK Limited. He served Meststar Inc and Melstar UK Limited from 1.4.1999 to 30.6.2001. He was re-appointed as rotational director on 23.8.1999 and retires at the forthcoming meeting. Mr.Ramani is a member of the Investor Grievance and Share Transfer Committee of the Company.

Item - 3

Mr. Sattar Shaikh, aged 45, is a Commerce Graduate from Bombay University and has over 23 years experience in Electronics / Computer Industry at executive and at Board Levels. He is one of the promoters of the Company and was on the Board of the Company since 1991. He is looking after the Finance and Administration functions of the Company. He had last retired by rotation at the Annual General Meeting held on 25.8.2000 and was re-appointed as a Director liable to retire by rotation. Mr.Shaikh is a special invitee at the meetings of the Audit Committee of the Board, being inter-alia in-charge of the Finance Functions.

