

# Microsec Financial Services Limited

Corporate Identity No. (CIN) - L65993WB1989PLC047002

Regd. Office : 1st Floor, Shivam Chambers, 53, Syed Amir Ali Avenue, Kolkata - 700 010

Phone - 033-3051 2100, Fax - 033-3051 2020, Website - www.microsec.in



## Part - I

### STATEMENT OF STANDALONE AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2016

(Rs. In Lacs except for EPS)

Particulars	Quarter Ended			Year Ended	
	31-Mar-16 [Refer Note 5]	31-Dec-15	31-Mar-15 [Refer Note 5]	31-Mar-16	31-Mar-15
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
<b>1 INCOME FROM OPERATIONS</b>					
(a) Income from Operations	4.20	-	4.20	4.20	4.20
(b) Other Operating Income	50.00	50.00	50.00	200.00	200.00
<b>Total Income from Operations (Net)</b>	<b>54.20</b>	<b>50.00</b>	<b>54.20</b>	<b>204.20</b>	<b>204.20</b>
<b>2 EXPENSES</b>					
(a) Employees benefits expense	34.31	27.62	28.50	116.98	125.64
(b) Depreciation and amortization expense	10.84	7.00	10.23	33.89	40.97
(c) Other Expenditure	19.68	19.93	21.03	85.71	76.61
<b>Total Expenses</b>	<b>64.83</b>	<b>54.55</b>	<b>59.76</b>	<b>236.58</b>	<b>243.22</b>
<b>3 Loss from Operations before Other Income, finance costs and exceptional items (1 - 2)</b>	<b>(10.63)</b>	<b>(4.55)</b>	<b>(5.56)</b>	<b>(32.38)</b>	<b>(39.02)</b>
4 Other Income	2.54	2.05	2.84	17.27	40.63
<b>5 Profit / (Loss) before finance costs and exceptional items (3 + 4)</b>	<b>(8.09)</b>	<b>(2.50)</b>	<b>(2.72)</b>	<b>(15.11)</b>	<b>1.61</b>
6 Finance Costs	-	-	-	-	-
<b>7 Profit / (Loss) before tax but before exceptional items (5 - 6)</b>	<b>(8.09)</b>	<b>(2.50)</b>	<b>(2.72)</b>	<b>(15.11)</b>	<b>1.61</b>
8 Exceptional Item [Refer Note 6]	237.00	-	-	237.00	-
<b>9 Profit / (Loss) before tax (7 - 8)</b>	<b>(245.09)</b>	<b>(2.50)</b>	<b>(2.72)</b>	<b>(252.11)</b>	<b>1.61</b>
<b>10 Tax Expense</b>					
(a) Current Tax	-	-	-	-	-
(b) Deferred Tax Charge	-	-	-	-	-
(c) Excess provision for taxation for earlier year no longer required written back	(44.82)	-	(103.60)	(44.82)	(103.60)
<b>11 Net Profit / (Loss) after tax (9 - 10)</b>	<b>(200.27)</b>	<b>(2.50)</b>	<b>100.88</b>	<b>(207.29)</b>	<b>105.21</b>
12 Paid up Equity Share Capital (Face Value per share Rs.10)	3,181.05	3,181.05	3,181.05	3,181.05	3,181.05
13 Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year				19,207.69	19,414.98
14 Earnings per share (Basic and Diluted)	(0.63)*	(0.01)*	0.32 *	(0.65)	0.33
See accompanying notes to the Financial Results					

\* Not annualised





**1. STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

		(Rs. in Lacs)	
Particulars		As at 31-Mar-16 (Audited)	As at 31-Mar-15 (Audited)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Shareholders' Funds</b>		
	(a) Share Capital	3,181.05	3,181.05
	(b) Reserves & Surplus	19,207.69	19,414.98
	<b>Sub Total - Shareholders' Funds</b>	<b>22,388.74</b>	<b>22,596.03</b>
<b>2</b>	<b>Current Liabilities</b>		
	(a) Trade Payables	7.57	7.04
	(b) Other current liabilities	16.90	6.29
	(c) Short-term provisions	11.99	50.82
	<b>Sub Total - Current Liabilities</b>	<b>36.46</b>	<b>64.15</b>
	<b>Total - Equity and Liabilities</b>	<b>22,425.20</b>	<b>22,660.18</b>
<b>B.</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Fixed Assets	446.81	383.32
	(b) Non-current Investments	18,992.20	21,965.74
	(c) Long-term loans and advances	101.76	153.24
	<b>Sub Total - Non-Current Assets</b>	<b>19,540.77</b>	<b>22,502.30</b>
<b>2</b>	<b>Current assets</b>		
	(a) Current Investment [Refer Note 7]	2,736.54	-
	(b) Trade Receivables	-	4.30
	(c) Cash, Cash Equivalents and Other Bank Balances	137.80	135.45
	(d) Short-term Loans and Advances	9.32	16.49
	(e) Other Current Assets	0.77	1.64
	<b>Sub Total - Current Assets</b>	<b>2,884.43</b>	<b>157.88</b>
	<b>Total - Assets</b>	<b>22,425.20</b>	<b>22,660.18</b>

2. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 26th May, 2016.

3. The shareholders of the Company had approved conversion of the Company to a Core Investment Company (CIC) on 19th March 2013. During the previous year, the Company had applied to the Reserve Bank of India (RBI) for voluntary surrender of Certificate of Registration (CoR) as Non-Banking Financial Company. Vide intimation dated 16th July, 2015, the RBI has accepted the Company's application and cancelled the CoR.

A Company having an asset size of more than Rs. 100 crores and not accessing public funds is exempt from registration as CIC with RBI in terms of the notification no. DNBS.PD.CC.No.274/03.02.089/2011-12 dated 11th May, 2012.

4. The Company has only one reportable business segment, i.e., "Financial Services – Core Investment Company" and have only one reportable geographic segment in India.

5. The figures for the quarter ended 31st March, 2016 represent the derived figures between the audited figures in respect of the year ended 31st March, 2016 and the unaudited published "period to date" figures upto 31st December, 2015 being the date of the end of the third quarter of the current year end which were subjected to a limited review.

6. Represents provision for diminution, other than temporary, in value of the Company's investment in Microsec Technologies Limited based on the assessment done by the Company's management.






7. The Company's wholly owned subsidiary, Microsec Capital Limited (MCL) and MCL's wholly owned subsidiary Microsec Commerze Limited (MCZL) are engaged in various financial service businesses. With the objective of divesting certain financial service businesses of MCL and MCZL, the Board of Directors of the Company and MCL have approved the demerger of the Consultancy and Investments undertaking of their respective Companies into a resulting company w.e.f. the appointed date April 01, 2016 subject to the approvals from members and creditors of MCL and MCZL, approval of the Hon'ble High Court at Calcutta and other necessary regulatory approvals.

The Company has also entered into a Share Purchase Agreement dated April 19, 2016 for sale of its entire shareholding in MCL (the demerged Company). This sale is subject to the aforesaid approvals necessary for the demerger. Consequently, the Company's investments in Microsec Capital Limited have been reclassified from Non-current to current.

8. Figures for the previous periods have been regrouped/ rearranged where necessary.

Place: Kolkata  
Date: 26th May, 2016

For Microsec Financial Services Limit

  
B.L. Mittal  
Chairman cum Managing Director





# Microsec Financial Services Limited

Corporate Identity No. (CIN) - L65993WB1989PLC047002

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**MICROSEC enterprises**  
MAKING LIFE SIMPLE AND HAPPY

Part - I

STATEMENT OF CONSOLIDATED AUDITED RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2016

(Rs. in Lacs except for EPS)

Particulars	Quarter Ended			Year Ended	
	31-Mar-16 [Refer Note 4]	31-Dec-15	31-Mar-15 [Refer Note 4]	31-Mar-16	31-Mar-15
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
<b>1 INCOME FROM OPERATIONS</b>					
(a) Income from Operations	2,428.42	2,319.37	1,562.29	8,623.90	4,834.41
(b) Other Operating Income	-	-	-	-	-
<b>Total Income from Operations (Net)</b>	<b>2,428.42</b>	<b>2,319.37</b>	<b>1,562.29</b>	<b>8,623.90</b>	<b>4,834.41</b>
<b>2 EXPENSES</b>					
(a) Cost of materials consumed	41.17	45.36	0.83	91.27	0.83
(b) Purchase of stock in trade	1,974.13	1,545.36	1,098.20	6,537.21	2,813.97
(c) Changes in inventories of stock in trade	56.17	197.30	(246.38)	(226.22)	(970.14)
(d) Employees benefits expense	759.13	739.78	670.26	2,959.14	2,249.64
(e) Depreciation and Amortization expense	244.21	160.32	152.70	727.92	569.90
(f) Other Expenditure	639.09	620.46	712.12	2,393.12	2,149.60
<b>Total Expenses</b>	<b>3,713.90</b>	<b>3,308.58</b>	<b>2,387.73</b>	<b>12,482.44</b>	<b>6,813.80</b>
<b>3 Profit / (Loss) from Operations before other income, finance costs and exceptional items (1 - 2)</b>	<b>(1,285.48)</b>	<b>(989.21)</b>	<b>(825.44)</b>	<b>(3,858.54)</b>	<b>(1,979.39)</b>
4 Other Income	53.96	58.48	98.07	275.26	414.57
<b>5 Profit / (Loss) before finance costs and exceptional items (3 + 4)</b>	<b>(1,231.52)</b>	<b>(930.73)</b>	<b>(727.37)</b>	<b>(3,583.28)</b>	<b>(1,564.82)</b>
6 Finance Costs	45.99	25.15	18.35	100.17	93.15
<b>7 Profit / (Loss) before exceptional items (5 - 6)</b>	<b>(1,277.51)</b>	<b>(955.88)</b>	<b>(745.72)</b>	<b>(3,683.45)</b>	<b>(1,657.97)</b>
8 Exceptional item	-	-	-	-	(172.87)
<b>9 Profit / (Loss) before tax (7 - 8)</b>	<b>(1,277.51)</b>	<b>(955.88)</b>	<b>(745.72)</b>	<b>(3,683.45)</b>	<b>(1,485.10)</b>
<b>10 Tax Expense</b>					
(a) Current Tax	(0.31)	(7.08)	(25.36)	4.41	33.66
(b) Excess provision for taxation for earlier year no longer required written back	(39.80)	0.20	(103.60)	(39.60)	(103.60)
(c) Deferred Tax	(30.96)	(4.57)	6.05	7.13	67.22
<b>11 Net Profit / (Loss) after tax (9 - 10)</b>	<b>(1,206.44)</b>	<b>(944.43)</b>	<b>(622.81)</b>	<b>(3,655.39)</b>	<b>(1,482.38)</b>
12 Minority Interest	1.08	1.79	1.50	5.43	7.98
<b>13 Net Profit / (Loss) after taxes and minority interest</b>	<b>(1,207.52)</b>	<b>(946.22)</b>	<b>(624.31)</b>	<b>(3,660.82)</b>	<b>(1,490.36)</b>
14 Paid up Equity Share Capital (Face Value per share Rs.10 )	3,181.05	3,181.05	3,181.05	3,181.05	3,181.05
15 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year				18,621.99	22,282.80
16 Earnings per share (Basic and Diluted)	(3.80)*	(2.97)*	(1.96)*	(11.51)	(4.69)
See accompanying notes to the Financial Results					

\* Not annualised





**AUDITED CONSOLIDATED SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

(Rs. in Lacs)

Particulars	Quarter Ended			Year Ended	
	31-Mar-16 [Refer Note 4]	31-Dec-15	31-Mar-15 [Refer Note 4]	31-Mar-16	31-Mar-15
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
<b>1 Segment Revenue</b>					
(a) Financial Services	438.06	428.95	577.83	1,945.59	2,681.61
(b) Digital Media of Consumer Engagement (www.foreseegame.com)	6.85	22.16	12.34	58.89	40.88
(c) Digital Pharmacy & Healthcare Store (www.sastasundar.com)	1,983.51	1,868.26	972.12	6,619.42	2,111.92
<b>Total</b>	<b>2,428.42</b>	<b>2,319.37</b>	<b>1,562.29</b>	<b>8,623.90</b>	<b>4,834.41</b>
Less : Inter Segment Revenue	-	-	-	-	-
<b>Income from Operations</b>	<b>2,428.42</b>	<b>2,319.37</b>	<b>1,562.29</b>	<b>8,623.90</b>	<b>4,834.41</b>
<b>2 Segment Results</b>					
<b>Profit / (Loss) before Finance Costs and Tax</b>					
(a) Financial Services	128.94	29.82	36.32	490.96	912.50
(b) Digital Media of Consumer Engagement (www.foreseegame.com)	(358.35)	(248.39)	(267.49)	(1,149.79)	(1,029.95)
(c) Digital Pharmacy & Healthcare Store (www.sastasundar.com)	(990.19)	(729.89)	(507.29)	(2,945.37)	(1,342.20)
<b>Total</b>	<b>(1,219.60)</b>	<b>(948.46)</b>	<b>(738.46)</b>	<b>(3,604.20)</b>	<b>(1,459.65)</b>
Less:					
Finance Costs (Refer Note 1)	-	-	-	-	-
Other unallocable expenditure net of unallocable income	57.91	7.42	7.26	79.25	25.45
<b>Profit / (Loss) before tax</b>	<b>(1,277.51)</b>	<b>(955.88)</b>	<b>(745.72)</b>	<b>(3,683.45)</b>	<b>(1,485.10)</b>
<b>3 Capital Employed</b>					
(Segment Assets - Segment Liabilities)					
(a) Financial Services	7,176.17	7,397.95	10,317.41	7,176.17	10,317.41
(b) Digital Media of Consumer Engagement (www.foreseegame.com)	2,449.35	2,620.31	2,922.81	2,449.35	2,922.81
(c) Digital Pharmacy & Healthcare Store (www.sastasundar.com)	9,373.83	10,260.05	9,376.68	9,373.83	9,376.68
(d) Unallocated	2,841.90	2,769.38	2,879.73	2,841.90	2,879.73
<b>Total</b>	<b>21,841.25</b>	<b>23,047.69</b>	<b>25,496.63</b>	<b>21,841.25</b>	<b>25,496.63</b>

**Notes to Segment:**

1. Finance Costs pertaining to the segments having operations which are primarily of financial nature has been considered as part of segment results and not disclosed separately.

2 (i) Business Segments :

The Company has identified the following as business segments :

(a) Financial Services - consists mainly of financing of loans and investment in shares and securities, financial consultancy, professional fees, debt syndication, Brokerage (Equity, Commodities and Currency including Depository Services), wealth management, insurance broking, financial planning, distribution and related services.

(b) Digital Media of Consumer Engagement (www.foreseegame.com) - includes activities under www.foreseegame.com.

(c) Digital Pharmacy & Healthcare Store (www.sastasundar.com) - includes activities for food processing, preservation and marketing of healthcare products through e-commerce portal www.sastasundar.com.

(ii) Geographical Segments : The Company operates in only one geographical segment i.e. "within India" and no separate information for geographical segment has been given.





Notes to the Financial Results :-

1. CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

		(Rs. in Lacs)	
Particulars		As at 31-Mar-16 (Audited)	As at 31-Mar-15 (Audited)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Shareholders' Funds</b>		
	(a) Share Capital	3,181.05	3,181.05
	(b) Reserves & Surplus	18,621.99	22,282.80
	<b>Sub Total - Shareholders' Funds</b>	<b>21,803.04</b>	<b>25,463.85</b>
<b>2</b>	<b>Minority Interest</b>	<b>38.21</b>	<b>32.78</b>
<b>3</b>	<b>Non - Current Liabilities</b>		
	(a) Long term Borrowings	240.00	-
	(b) Long-term Provisions	46.97	44.67
	(c) Deferred Tax Liabilities (net)	376.37	369.19
	<b>Sub Total - Non-current Liabilities</b>	<b>663.34</b>	<b>413.86</b>
<b>4</b>	<b>Current Liabilities</b>		
	(a) Short-term borrowings	1,578.80	474.19
	(b) Trade Payables	672.83	833.62
	(c) Other current liabilities	842.70	819.27
	(d) Short-term provisions	40.40	78.84
	<b>Sub Total - Current Liabilities</b>	<b>3,134.73</b>	<b>2,205.92</b>
	<b>Total - Equity and Liabilities</b>	<b>25,639.32</b>	<b>28,116.41</b>
<b>B.</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	(a) Fixed Assets	6,898.84	8,320.79
	(b) Goodwill on Consolidation	5,738.52	5,738.52
	(c) Non-current Investments	866.76	1,801.88
	(d) Deferred Tax Assets (net)	2.85	2.80
	(e) Long-term loans and advances	1,258.42	1,437.38
	(f) Other non current assets	1,851.69	1,982.52
	<b>Sub Total - Non-Current Assets</b>	<b>16,617.08</b>	<b>19,283.89</b>
<b>2</b>	<b>Current assets</b>		
	(a) Current Investments	107.63	394.00
	(b) Inventories	1,597.48	1,702.44
	(c) Trade Receivables	836.88	1,243.80
	(d) Cash, Cash Equivalents and Other Bank Balances	1,273.11	1,310.99
	(e) Short-term Loans and Advances	3,775.67	4,116.86
	(f) Other Current Assets	1,431.47	64.43
	<b>Sub Total - Current Assets</b>	<b>9,022.24</b>	<b>8,832.52</b>
	<b>Total - Assets</b>	<b>25,639.32</b>	<b>28,116.41</b>





2. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 26<sup>th</sup> May, 2016.
3. The shareholders of the Company had approved conversion of the Company to a Core Investment Company (CIC) on 19th March 2013. During the previous year, the Company had applied to the Reserve Bank of India (RBI) for voluntary surrender of Certificate of Registration (CoR) as Non-Banking Financial Company. Vide intimation dated 16<sup>th</sup> July, 2015, the RBI has accepted the Company's application and cancelled the CoR.

A Company having an asset size of more than Rs. 100 crores and not accessing public funds is exempt from registration as CIC with RBI in terms of the notification no. DNBS.PD.CC.No.274/03.02.089/2011-12 dated 11<sup>th</sup> May, 2012.

4. The figures for the quarter ended 31st March, 2016 represent the derived figures between the audited figures in respect of the year ended 31st March, 2016 and the unaudited published "period to date" figures upto 31st December, 2015 being the date of the end of the third quarter of the current year end.
5. The Company's wholly owned subsidiary, Microsec Capital Limited (MCL) and MCL's wholly owned subsidiary Microsec Commerze Limited (MCZL) are engaged in various financial service businesses. With the objective of divesting certain financial service businesses of MCL and MCZL, the Board of Directors of the Company and MCL have approved the demerger of the Consultancy and Investments undertaking of their respective Companies into a resulting company w.e.f. the appointed date April 01, 2016 subject to the approvals from members and creditors of MCL and MCZL, approval of the Hon'ble High Court at Calcutta and other necessary regulatory approvals.

The Company has also entered into a Share Purchase Agreement dated April 19, 2016 for sale of its entire shareholding in MCL (the demerged Company). This sale is subject to the aforesaid approvals necessary for the demerger.

6. Figures for the previous periods have been regrouped / rearranged where necessary.

Place: Kolkata

Date: 26th May, 2016

**For Microsec Financial Services Limited**

  
**B.L. Mittal**  
Chairman cum Managing Director





**Auditor's Report On Standalone Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To**  
**The Board of Directors of**  
**Microsec Financial Services Limited,**

1. We have audited the quarterly financial results of **Microsec Financial Services Limited** ('the Company') for the quarter ended March 31, 2016 and the financial results for the year ended March 31, 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2016 and the published year-to-date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31, 2016 and year to date ended March 31, 2016 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2015, the audited annual financial statements as at and for the year ended March 31, 2016, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2015 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under the Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2015; and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
  - i. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
  - ii. give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2016 and for the year ended March 31, 2016.





# **S.R. BATLIBOI & CO. LLP**


Chartered Accountants

4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2016 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2016 and the published year-to-date figures up to December 31, 2015, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**For S.R. BATLIBOI & CO. LLP**

**Chartered Accountants**

**ICAI Firm Registration Number: 301003E/E300005**



**per Bhaswar Sarkar**

Partner

Membership No.: 55596



Place: Kolkata

Date: May 26, 2016