

**Limited Review Report to  
The Board of Directors  
Microsec Financial Services Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results of Microsec Financial Services Limited ('the Company') for the quarter ended December 31, 2013 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been 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 Engagements (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 Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures 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.
3. *The Company has exceeded the limits of the concentration of credit/investment norms as provided in paragraph 18 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended), in order to become Core Investment Company (CIC). The Company has already applied to the Reserve Bank of India (RBI) for registration as a CIC, as more fully described in note no 3 to the unaudited financial results, and pending receipt of necessary clarification from the RBI in this regard, we are unable to comment on the possible effects of the above on the financial results.*

*In respect of above, our audit report for the year ended 31<sup>st</sup> March, 2013 and review report for the previous quarter ended 30<sup>th</sup> June, 2013 and 30<sup>th</sup> September, 2013 were similarly modified.*

4. Based on our review conducted as above, *except for the possible effects of the our observations stated in paragraph 3 above* nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified under the provisions of the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & CO. LLP  
ICAI Firm registration number: 301003E  
Chartered Accountants



per Bhaswar Sarkar  
Partner  
Membership No.:55596

Place : Kolkata  
Date: 12<sup>th</sup> February, 2014

# Microsec Financial Services Limited

Regd. Office : 1st Floor, Shivam Chambers, 53, Syed Amir Ali Avenue, Kolkata - 700 019



## Part - I

### STATEMENT OF STANDALONE UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2013

(Rs. In Lacs except for EPS)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-13	30-Sep-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Mar-13
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 INCOME FROM OPERATIONS</b>						
(a) Income from Operations	1.60	7.68	501.75	28.15	1,410.46	1,776.72
(b) Other Operating Income	50.00	50.00	-	150.00	-	-
<b>Total Income from Operations (Net)</b>	<b>51.60</b>	<b>57.68</b>	<b>501.75</b>	<b>178.15</b>	<b>1,410.46</b>	<b>1,776.72</b>
<b>2 EXPENSES</b>						
(a) Employee benefit expense	30.86	31.99	50.90	96.24	132.66	179.17
(b) Depreciation and amortization expense	9.14	8.81	9.77	26.63	29.01	38.71
(c) Advertisement and Publicity	5.78	5.88	1.41	17.43	5.87	18.33
(d) Loss on pre-matured recovery of debts	-	-	136.68	-	136.68	136.68
(e) Other Expenditure	13.57	17.32	20.85	51.30	69.74	120.08
<b>Total Expenses</b>	<b>59.35</b>	<b>64.00</b>	<b>219.61</b>	<b>191.60</b>	<b>373.96</b>	<b>492.97</b>
<b>3 Profit / (Loss) from Operations before Other Income, finance costs (1 - 2)</b>	<b>(7.75)</b>	<b>(6.32)</b>	<b>282.14</b>	<b>(13.45)</b>	<b>1,036.50</b>	<b>1,283.75</b>
4 Other Income	20.17	2.87	8.50	24.75	11.47	13.13
<b>5 Profit / (Loss) before finance costs (3 + 4)</b>	<b>12.42</b>	<b>(3.45)</b>	<b>290.64</b>	<b>11.30</b>	<b>1,047.97</b>	<b>1,296.88</b>
6 Finance Costs	-	-	0.24	0.14	5.19	5.19
<b>7 Profit / (Loss) before tax (5 - 6)</b>	<b>12.42</b>	<b>(3.45)</b>	<b>290.40</b>	<b>11.16</b>	<b>1,042.78</b>	<b>1,291.69</b>
<b>8 Tax Expense</b>						
(a) Current Tax	0.12	(0.28)	33.88	0.12	266.86	297.51
(b) Deferred Tax Charge	23.77 *	2.95	6.58	30.83 *	14.70	17.95
(c) Excess provision for taxation no longer required written back	0.09	-	-	0.09	-	-
<b>9 Net Profit / (Loss) after tax (7 - 8)</b>	<b>(11.56)</b>	<b>(6.12)</b>	<b>249.94</b>	<b>(19.88)</b>	<b>761.22</b>	<b>976.23</b>
10 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	3,181.05
11 Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year						19,272.73
12 Earnings per share (Basic and Diluted)	(0.04)**	(0.02)**	0.79 **	(0.06)**	2.39 **	3.07

\* Represents reversal of deferred tax asset recognised earlier.

\*\* Not annualised

## Part - II

### SELECT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2013

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-13	30-Sep-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Mar-13
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>A PARTICULARS OF SHAREHOLDING</b>						
<b>1 Public Shareholding</b>						
- Number of Shares	98,23,581	98,32,187	1,14,70,621	98,23,581	1,14,70,621	1,12,07,365
- Percentage of Shareholding	30.88%	30.91%	36.06%	30.88%	36.06%	35.23%
<b>2 Promoters and Promoter Group Shareholding</b>						
<b>a) Pledged/Encumbered</b>						
Number of Shares	Nil	Nil	Nil	Nil	Nil	Nil
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
Percentage of Shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil	Nil
<b>b) Non-encumbered</b>						
Number of Shares	2,19,86,919	2,19,78,313	2,03,39,879	2,19,86,919	2,03,39,879	2,06,03,135
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage of Shares (as a % of the total share capital of the company)	69.12%	69.09%	63.94%	69.12%	63.94%	64.77%

Particulars	Quarter ended 31-Dec-13
<b>B INVESTOR COMPLAINTS</b>	
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

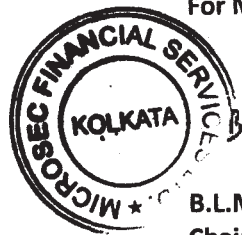


**Notes:**

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 12<sup>th</sup> February, 2014.
2. The Statutory Auditors have carried out the "Limited Review" of the results of the Stand -alone Company for the quarter ended 31<sup>st</sup> December, 2013.
3. The Statutory Auditors in their audit report for the year ended 31<sup>st</sup> March, 2013 and subsequent limited review reports for the quarter ended 30<sup>th</sup> June, 2013 and 30<sup>th</sup> September, 2013 has commented regarding concentration of credit / investment norms as provided in paragraph 18 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended), having exceeded the limits provided therein, in order to become a Core Investment Company (CIC). The Company had applied to the Reserve Bank of India (RBI) seeking exemption from complying with the aforesaid norms to become a CIC. The Reserve Bank of India (RBI) vide its letter dated 20<sup>th</sup> August, 2013 had advised the Company to comply with the CIC norms and submit the application for registration as CIC. Accordingly, the Company has, vide its letter dated 30<sup>th</sup> December, 2013 have submitted an application for registration as a CIC. The Company is hopeful to receive the necessary approvals / clarification from the RBI.
4. The Company has only one reportable business segment, i.e., "Financial Services" and have only one reportable geographic segment in India.
5. Figures for the previous periods have been regrouped/ rearranged where necessary.

Place: Kolkata

Date: 12<sup>th</sup> February, 2014



For Microsec Financial Services Limited

  
B.L.Mittal

Chairman cum Managing Director

# Microsec Financial Services Limited

Regd. Office : 1st Floor, Shivam Chambers, 53, Syed Amir Ali Avenue, Kolkata - 700 019



Part - I

## STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2013

(Rs. in Lacs except for EPS)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-13	30-Sep-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Mar-13
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 INCOME FROM OPERATIONS</b>						
(a) Income from Operations (Refer Note 4)	657.95	706.60	1,181.60	1,986.11	3,557.42	4,505.81
(b) Other Operating Income	-	-	-	-	-	-
<b>Total Income from Operations (Net)</b>	<b>657.95</b>	<b>706.60</b>	<b>1,181.60</b>	<b>1,986.11</b>	<b>3,557.42</b>	<b>4,505.81</b>
<b>2 EXPENSES</b>						
(a) Purchase of stock in trade (Refer Note 4)	63.96	35.63	-	99.59	-	-
(b) Changes in inventories of stock in trade (Refer Note 4)	(57.92)	(35.60)	-	(93.52)	-	-
(c) Employee benefit expense	428.36	408.56	377.52	1,237.99	1,186.93	1,571.61
(d) Depreciation and Amortization expense	48.98	45.78	41.99	137.13	126.85	170.25
(e) Irrecoverable debts / advances written off	2.84	-	162.45	2.84	164.81	-
(f) Other Expenditure	413.50	395.92	303.17	1,212.15	845.59	1,641.66
<b>Total Expenses</b>	<b>899.72</b>	<b>850.29</b>	<b>885.13</b>	<b>2,596.18</b>	<b>2,324.18</b>	<b>3,383.52</b>
<b>3 Profit / (Loss) from Operations before other income, finance costs (1 - 2)</b>	<b>(241.77)</b>	<b>(143.69)</b>	<b>296.47</b>	<b>(610.07)</b>	<b>1,233.24</b>	<b>1,122.29</b>
4 Other Income	102.96	98.74	64.28	302.37	180.85	256.63
<b>5 Profit / (Loss) before finance costs (3 + 4)</b>	<b>(138.81)</b>	<b>(44.95)</b>	<b>360.75</b>	<b>(307.70)</b>	<b>1,414.09</b>	<b>1,378.92</b>
6 Finance Costs	20.44	13.79	38.68	47.71	83.95	113.68
<b>7 Profit / (Loss) before tax (5 - 6)</b>	<b>(159.25)</b>	<b>(58.74)</b>	<b>322.07</b>	<b>(355.41)</b>	<b>1,330.14</b>	<b>1,265.24</b>
<b>8 Tax Expense</b>						
(a) Current Tax	6.27	8.13	32.77	21.52	324.00	325.08
(b) Excess provision for taxation no longer required written back	0.09	(36.08)	-	(35.99)	-	-
(c) Deferred Tax	35.23	18.90	19.19	70.30	47.13	62.10
<b>9 Net Profit / (Loss) after tax (7 - 8)</b>	<b>(200.84)</b>	<b>(49.69)</b>	<b>270.11</b>	<b>(411.24)</b>	<b>959.01</b>	<b>878.06</b>
10 Share of Profit / (Loss) of Associate	-	-	(16.74)	-	(59.80)	(57.06)
11 Minority Interest	3.84	3.85	-	11.15	-	1.40
<b>12 Net Profit / (Loss) after taxes, minority interest and share of loss of Associate</b>	<b>(204.68)</b>	<b>(53.54)</b>	<b>253.37</b>	<b>(422.39)</b>	<b>899.21</b>	<b>819.60</b>
13 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	3,181.05
14 Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year						24,465.04
15 Earnings per share (Basic and Diluted)	(0.64)*	(0.17)*	0.80*	(1.33)*	2.83*	2.58

\* Not annualised

Part - II

## SELECT INFORMATION FOR THE QUARTER ENDED 31ST DECEMBER, 2013

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-13	30-Sep-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Mar-13
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>A PARTICULARS OF SHAREHOLDING</b>						
<b>1 Public Shareholding</b>						
- Number of Shares	98,23,581	98,32,187	1,14,70,621	98,23,581	1,14,70,621	1,12,07,365
- Percentage of Shareholding	30.88%	30.91%	36.06%	30.88%	36.06%	35.23%
<b>2 Promoters and Promoter Group Shareholding</b>						
a) Pledged/Encumbered						
Number of Shares	Nil	Nil	Nil	Nil	Nil	Nil
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil	Nil
Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil
b) Non-encumbered						
Number of Shares	2,19,86,919	2,19,78,313	2,03,39,879	2,19,86,919	2,03,39,879	2,06,03,135
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Percentage of Shares (as a % of the total share capital of the Company)	69.12%	69.09%	63.94%	69.12%	63.94%	64.77%

Particulars	Quarter ended 31-Dec-13
<b>B INVESTOR COMPLAINTS</b>	
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



Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-13	30-Sep-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Mar-13
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Gross Revenue	71.77	60.55	510.25	202.90	1,421.93	1,789.85
Profit / (Loss) before Tax	12.42	(3.45)	290.40	11.16	1,042.78	1,291.69
Profit / (Loss) after Tax	(11.56)	(6.12)	249.94	(19.88)	761.22	976.23

**UNAUDITED CONSOLIDATED SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-13	30-Sep-13	31-Dec-12	31-Dec-13	31-Dec-12	31-Mar-13
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 Segment Revenue</b>						
(a) Financial Services (Refer Note 4)	648.70	704.67	1,181.60	1,974.93	3,557.42	4,505.81
(b) Digital Media of Consumer Engagement (www.foreseegame.com)	1.30	1.90	-	3.20	-	-
(c) Digital Pharmacy & Healthcare Store (www.sastasundar.com)	7.95	0.03	-	7.98	-	-
<b>Total</b>	<b>657.95</b>	<b>706.60</b>	<b>1,181.60</b>	<b>1,986.11</b>	<b>3,557.42</b>	<b>4,505.81</b>
Less : Inter Segment Revenue	-	-	-	-	-	-
<b>Income from Operations</b>	<b>657.95</b>	<b>706.60</b>	<b>1,181.60</b>	<b>1,986.11</b>	<b>3,557.42</b>	<b>4,505.81</b>
<b>2 Segment Results</b>						
<b>Profit / (Loss) before Finance Costs and Tax</b>						
(a) Financial Services	179.56	200.85	277.10	470.23	1,217.20	1,393.57
(b) Digital Media of Consumer Engagement (www.foreseegame.com)	(201.48)	(245.07)	-	(661.02)	-	(39.93)
(c) Digital Pharmacy & Healthcare Store (www.sastasundar.com)	(130.03)	(9.21)	-	(141.21)	-	(4.35)
<b>Total</b>	<b>(151.95)</b>	<b>(53.43)</b>	<b>277.10</b>	<b>(332.00)</b>	<b>1,217.20</b>	<b>1,349.29</b>
Less:						
Finance Costs (Refer note 1)	-	-	1.44	-	11.33	-
Other unallocable expenditure net of unallocable income	7.30	5.31	(46.41)	23.41	(124.27)	84.05
<b>Profit / (Loss) before tax</b>	<b>(159.25)</b>	<b>(58.74)</b>	<b>322.07</b>	<b>(355.41)</b>	<b>1,330.14</b>	<b>1,265.24</b>
<b>3 Capital Employed</b>						
(Segment Assets - Segment Liabilities)						
(a) Financial Services	14,150.79	15,907.09	25,256.09	14,150.79	25,256.09	15,966.30
(b) Digital Media of Consumer Engagement (www.foreseegame.com)	2,695.84	2,130.27	-	2,695.84	-	2,401.60
(c) Digital Pharmacy & Healthcare Store (www.sastasundar.com)	7,746.22	6,708.55	-	7,746.22	-	6,649.51
(d) Unallocated	2,653.40	2,701.19	2,486.35	2,653.40	2,486.35	2,640.09
<b>Total</b>	<b>27,246.25</b>	<b>27,447.09</b>	<b>27,742.44</b>	<b>27,246.25</b>	<b>27,742.44</b>	<b>27,657.49</b>

**Notes :**

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

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

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 12th February, 2014.
2. The Statutory Auditors have carried out the "Limited Review" of the results of the Stand -alone Company for the quarter ended 31<sup>st</sup> December, 2013.
3. The Statutory Auditors in their audit report for the year ended 31<sup>st</sup> March, 2013 and subsequent limited review reports for the quarter ended 30<sup>th</sup> June, 2013 and 30<sup>th</sup> September, 2013 has commented regarding concentration of credit / investment norms as provided in paragraph 18 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended), having exceeded the limits provided therein, in order to become a Core Investment Company (CIC). The Company had applied to the Reserve Bank of India (RBI) seeking exemption from complying with the aforesaid norms to become a CIC. The Reserve Bank of India (RBI) vide its letter dated 20<sup>th</sup> August, 2013 had advised the Company to comply with the CIC norms and submit the application for registration as CIC. Accordingly, the Company has, vide its letter dated 30<sup>th</sup> December, 2013 have submitted an application for registration as a CIC. The Company is hopeful to receive the necessary approvals / clarification from the RBI.
4. The Company has regrouped the presentation related to liquid scheme of Mutual Funds by one of the subsidiary during this quarter, wherein the profits from liquid scheme of mutual funds have been regrouped under "Income from Operations" in place of earlier practice of presenting it as purchase, sale and changes in inventory, as detailed in table herein below:

(Rs. in Lacs)

Particulars	Quarter ended 30 <sup>th</sup> September, 2013	Year Ended 31 <sup>st</sup> March, 2013
Income from Operations	3,695.53	Nil
Purchase of Stock in Trade	3,630.00	72.00
Changes in inventory of Stock in Trade	10.00	(72.00)

The same has been regrouped in this quarter as below:

(Rs. in Lacs)

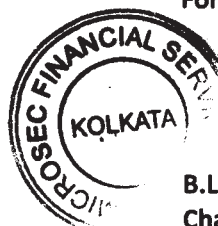
Particulars	Quarter ended 30 <sup>th</sup> September, 2013	Year Ended 31 <sup>st</sup> March, 2013
Income from Operations	55.53	Nil

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

Place: Kolkata

Date: 12<sup>th</sup> February, 2014

For Microsec Financial Services Limited



B.L.Mittal  
Chairman cum Managing Director