May 23, 2014

NATIONAL STOCK EXCHANGE OF INDIA LTD
EXCHANGE PLAZA
BANDRA KURLA COMPLEX, BANDRA (E)
MUMBAI 400 051.

Fax No.022-26598237/38/8347
022-66418124/25/26

Dear Sir,

**Ref: Scrip Code: ALLSEC**

**Sub: Intimation under clause 41 of the Listing Agreement**

Please find enclosed the Audited Financial Results of the Company (Standalone and Consolidated) for the year ended 31st March, 2014 which has been taken on record by the Board of Directors of the Company at their meeting held today (23rd May, 2014).

Thanking you,

Yours faithfully,
for **ALLSEC TECHNOLOGIES LTD**

**A.SARAVANAN**
**Director & President**

Encl: As above.

**Allsec Technologies Limited**

Regd. Office : 7-H, Century Plaza , 560/562 Anna Salai, Teynampet, Chennai - 600 018

Corp. Office : 46-B Velachery Main Road, Velachery, Chennai - 600 042.

**Part I : Statement of Audited Financial Results for the Quarter and Year ended March 31, 2014**

(Rupees in Lakhs except EPS and shareholding da

| Sl. No. | Particulars | Standalone Results | | | | | Consolidated Results | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Quarter Ended | | | Year Ended | | Quarter Ended | | | Year Ended | |
| | | 31-Mar-14 | 31-Dec-13 | 31-Mar-13 | 31-Mar-14 | 31-Mar-13 | 31-Mar-14 | 31-Dec-13 | 31-Mar-13 | 31-Mar-14 | 31-Mar-13 |
| | | Audited [Refer Note 8] | Un-Audited | Audited [Refer Note 8] | Audited | Audited | Un-Audited | Un-Audited | Un-Audited | Audited | Audited |
| | **Income from operations** | | | | | | | | | | |
| 1 | Net Sales / Income from Operations | 2,494 | 2,696 | 2,471 | 10,674 | 10,748 | 4,111 | 4,909 | 7,118 | 19,962 | 32, |
| | **Total income from operations** | **2,494** | **2,696** | **2,471** | **10,674** | **10,748** | **4,111** | **4,909** | **7,118** | **19,962** | **32,** |
| 2 | **Expenses** | | | | | | | | | | |
| | a Connectivity Cost | 146 | 163 | 154 | 618 | 682 | 139 | 183 | 287 | 664 | |
| | b Employee benefits expense | 1,287 | 1,480 | 1,382 | 5,804 | 6,157 | 3,230 | 3,812 | 5,092 | 16,339 | 21, |
| | c Bad debts written off / Provision for loans & investments in subsidiary | 274 | - | - | 275 | 426 | 222 | - | - | 223 | |
| | d Impairment loss / loss on fixed assets written off [Refer Note 7] | 64 | 3 | - | 76 | - | 1,020 | 3 | - | 1,032 | |
| | e Other expenses | 630 | 661 | 699 | 2,809 | 3,097 | 1,209 | 1,383 | 1,785 | 5,427 | 5, |
| | f Depreciation and Amortisation | 177 | 168 | 230 | 748 | 1,014 | 289 | 315 | 349 | 1,242 | 1, |
| | **Total expenses** | **2,578** | **2,475** | **2,465** | **10,330** | **11,376** | **6,109** | **5,696** | **7,433** | **24,927** | **29,** |
| 3 | **Profit / (Loss) from operations before other income and finance costs** | **(84)** | **221** | **6** | **344** | **(628)** | **(1,998)** | **(787)** | **(315)** | **(4,965)** | **2,** |
| 4 | Other Income | (21) | 69 | 71 | 276 | 351 | 45 | 73 | 83 | 271 | |
| 5 | **Profit / (Loss) from ordinary activities before finance costs** | **(105)** | **290** | **77** | **620** | **(277)** | **(1,953)** | **(714)** | **(232)** | **(4,694)** | **2,** |
| 6 | Finance costs | 37 | 14 | 12 | 77 | 56 | 72 | 268 | 168 | 669 | |
| 7 | **Profit / (Loss) from ordinary activities before tax** | **(142)** | **276** | **65** | **543** | **(333)** | **(2,025)** | **(982)** | **(400)** | **(5,363)** | **2,** |
| 8 | Tax expense | - | - | - | - | - | (917) | 72 | (149) | (1,649) | 1, |
| 9 | **Net Profit / (Loss) for the period** | **(142)** | **276** | **65** | **543** | **(333)** | **(1,108)** | **(1,054)** | **(251)** | **(3,714)** | |
| 10 | Minority interest | - | - | - | - | - | (196) | (414) | (105) | (1,211) | |
| 11 | **Net Profit / (Loss) after taxes and minority interest** | **(142)** | **276** | **65** | **543** | **(333)** | **(912)** | **(640)** | **(146)** | **(2,503)** | |
| 12 | Paid up Equity Share Capital (Face Value of Rs. 10/- each) | 1,524 | 1,524 | 1,524 | 1,524 | 1,524 | 1,524 | 1,524 | 1,524 | 1,524 | 1, |
| 13 | Reserves (at year end excluding Revaluation Reserve) | | | | 10,497 | 9,954 | | | | 6,430 | 8, |
| 14 | Earning per Share (Rs.) | | | | | | | | | | |
| | a) Basic | (0.93) | 1.81 | 0.43 | 3.57 | (2.19) | (5.98) | (4.20) | (0.96) | (16.43) | |
| | b) Diluted | (0.93) | 1.76 | 0.41 | 3.47 | (2.19) | (5.98) | (4.20) | (0.96) | (16.43) | |
| | | [Not Annualised] | [Not Annualised] | [Not Annualised] | | | [Not Annualised] | [Not Annualised] | [Not Annualised] | | |

**Part II : Select Information for the Quarter and Year ended March 31, 2014**

| A | **Particulars Of Shareholding** | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Public Shareholding | | | | | | | | | | |
| | Number of shares | 9,838,945 | 9,840,945 | 9,857,805 | 9,838,945 | 9,857,805 | 9,838,945 | 9,840,945 | 9,857,805 | 9,838,945 | 9,857, |
| | Percentage of shareholding | 64.57% | 64.58% | 64.69% | 64.57% | 64.69% | 64.57% | 64.58% | 64.69% | 64.57% | 64. |
| 2 | Promoters and Promoter Group Shareholding | | | | | | | | | | |
| | a Pledged / Encumbered | | | | | | | | | | |
| | Number of shares | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | |
| | Percentage of shares | | | | | | | | | | |
| | (as a % of the total shareholding of the Promoter and Promoter group) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | |
| | (as a % of the total share capital of the Company) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | |
| | b Non - encumbered | | | | | | | | | | |
| | Number of shares | 5,399,381 | 5,397,381 | 5,380,521 | 5,399,381 | 5,380,521 | 5,399,381 | 5,397,381 | 5,380,521 | 5,399,381 | 5,380, |
| | Percentage of shares | | | | | | | | | | |
| | (as a % of the total shareholding of the Promoter and Promoter group) | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100 |
| | (as a % of the total share capital of the Company) | 35.43% | 35.42% | 35.31% | 35.43% | 35.31% | 35.43% | 35.42% | 35.31% | 35.43% | 35 |

| | Particulars | Quarter ended March 31, 2014 |
|---|---|---|
| B | **Investor Complaints** | |
| | 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 **Audited Statement of Assets and Liabilities as at March 31, 2014**

| Sl. No. | Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|---|
| | | As at 31-Mar-14 Audited | As at 31-Mar-13 Audited | As at 31-Mar-14 Audited | As at 31-Mar-13 Audited |
| A | **EQUITY AND LIABILITIES** | | | | |
| 1 | **Shareholders' funds** | | | | |
| | (a) Share capital | 1,524 | 1,524 | 1,524 | 1,524 |
| | (b) Reserves and surplus | 10,497 | 9,954 | 6,430 | 8,620 |
| | **Sub-total - Shareholders' funds** | **12,021** | **11,478** | **7,954** | **10,144** |
| 2 | **Minority interest** | - | - | - | 1,024 |
| 3 | **Non-current liabilities** | | | | |
| | (a) Long-term borrowings | 88 | 89 | 260 | 325 |
| | (b) Long-term provisions | 43 | 46 | 43 | 46 |
| | **Sub-total - Non-current liabilities** | **131** | **135** | **303** | **371** |
| 4 | **Current liabilities** | | | | |
| | (a) Short-term borrowings | - | - | 1,191 | - |
| | (b) Trade payables | 708 | 704 | 1,050 | 1,208 |
| | (c) Other current liabilities | 268 | 272 | 1,119 | 3,116 |
| | (d) Short-term provisions | 255 | 264 | 255 | 264 |
| | **Sub-total - Current liabilities** | **1,231** | **1,240** | **3,615** | **4,588** |
| | **TOTAL - EQUITY AND LIABILITIES** | **13,383** | **12,853** | **11,872** | **16,127** |
| B | **ASSETS** | | | | |
| 1 | **Non-current assets** | | | | |
| | (a) Fixed assets | 1,769 | 2,384 | 2,952 | 3,988 |
| | (b) Goodwill on consolidation | - | - | 987 | 987 |
| | (c) Non-current investments | 5,107 | 2,644 | - | - |
| | (d) Long-term loans and advances | 2,204 | 3,557 | 655 | 2,063 |
| | (e) Deferred Tax Asset | - | - | 1,666 | - |
| | (f) Other non-current assets | 71 | - | 71 | 26 |
| | **Sub-total - Non-current assets** | **9,151** | **8,585** | **6,331** | **7,064** |
| 2 | **Current assets** | | | | |
| | (a) Current investments | 1,072 | 888 | 1,072 | 888 |
| | (b) Trade receivables | 2,344 | 2,358 | 3,266 | 5,582 |
| | (c) Cash and cash equivalents | 602 | 811 | 889 | 1,631 |
| | (d) Short-term loans and advances | 159 | 176 | 258 | 866 |
| | (e) Other current assets | 55 | 35 | 56 | 96 |
| | **Sub-total - Current assets** | **4,232** | **4,268** | **5,541** | **9,063** |
| | **TOTAL - ASSETS** | **13,383** | **12,853** | **11,872** | **16,127** |






Audited Consolidated Segment Information for the Quarter and Year ended March 31, 2014

| Sl. No. | Particulars | Quarter Ended | | | Year Ended | |
|---|---|---|---|---|---|---|
| | | 31-Mar-14 | 31-Dec-13 | 31-Mar-13 | 31-Mar-14 | 31-Mar-13 |
| 1 | **Segment revenue** | | | | | |
| | ITES-BPO | 2,721 | 2,921 | 3,282 | 11,914 | 13,456 |
| | Mortgage services | 1,390 | 1,988 | 3,836 | 8,048 | 18,551 |
| | **Total revenue** | **4,111** | **4,909** | **7,118** | **19,962** | **32,007** |
| 2 | **Segment profit after tax** | | | | | |
| | ITES-BPO | (36) | 133 | (18) | 285 | (1,241) |
| | Mortgage Services | (1,072) | (1,187) | (233) | (3,999) | 2,125 |
| | **Total** | **(1,108)** | **(1,054)** | **(251)** | **(3,714)** | **884** |
| 3 | **Capital Employed** | | | | | |
| | ITES-BPO | 8,358 | 8,395 | 8,184 | 8,358 | 8,184 |
| | Mortgage Services | (144) | 819 | 3,309 | (144) | 3,309 |
| | **Total Capital Employed** | **8,214** | **9,214** | **11,493** | **8,214** | **11,493** |

1. The above audited financial results of the Company (standalone) have been reviewed by the Audit Committee at their meeting held on May 23, 2014 and approved by the Board of Directors at their meeting held on May 23, 2014. Full details of the standalone results for the year ended March 31, 201 available on the company's website under investors section (www.allsectech.com) and also reported to stock exchanges -- NSE & BSE.

2. The consolidated results for the year ended March 31, 2014 includes the results of the Company's subsidiaries - Allsectech Inc, USA, Allsectech Manila Inc, Philippines, Retreat Capital Management Inc., USA and Centigral Inc., USA.

3. As per Accounting Standard 17 on Segment Reporting, the Company's (consolidated operations) relates to "ITES-BPO" and "Mortgage Services" segment.

4. On February 6, 2014, the Company has made additional investment amounting to USD 500,000 in Retreat Capital Management Inc., USA, a subsidiary of the Company, thereby increasing the total investment to 77% as at the year end.

5. The statutory auditors have in their audit report for the year ended March 31, 2014 observed that *"The financial statements as at March 31, 2014 include investments in equity and preference share capital in its wholly owned subsidiary Allsectech Manila Inc., Philippines aggregating Rs. 2,586 L (March 31, 2013: Rs. 1,020 lakhs as investments and Rs 1,443 as advance towards share capital). The subsidiary's accumulated losses have fully eroded its net worth as at March 31, 2014. Management has undertaken several initiatives to improve its income from operations and establish profit operations. The recovery of the value of such investment in the subsidiary is dependent upon the ability of the subsidiary to establish successful operations in the future and achieve sustained profitability. In view of the operational and financial position of the subsidiary as noted above, we are un to comment on the adjustments, if any, that may be required to be made to the carrying value of such investments and advances. Our audit opinion on the financial statements for the year ended March 31, 2013 was also qualified in respect of the above matter".*

   Management has undertaken several initiatives to improve its income from operations and establish profitable operations. Management has also entered into arrangements such as subleasing of excess capacity to earn alternative sources of income. Based on these action plans, the management is conf that the subsidiary will be able to earn sufficient profit which will enable the parent Company to recoup the value of investments in the subsidiary. Based on the above, management is of the view that no provision is required to be made to the carrying value of such investments.

6. The statutory auditors have in their audit report for the year ended March 31, 2014 observed that *"The financial statements as at March 31, 2014 include investments of Rs. 1,214 lakhs (March 31, 2013: Rs. 595 lakhs) in its wholly owned subsidiary Allsectech Inc., USA and receivable balance (ne Rs.84 lakhs (March 31, 2013: Rs.595 lakhs ) from such subsidiary. The subsidiary's accumulated losses have substantially eroded its net worth as at March 31, 2014. The recovery of the value of such investment in the subsidiary is dependent upon the ability of the subsidiary to establish succe operations in the future and achieve sustained profitability. In view of the operational and financial position of the subsidiary as noted above, we are unable to comment on the adjustments, if any, that may be required to be made to the carrying value of such investments and receivables. Our a opinion on the financial statements for the year ended March 31, 2013 was also qualified in respect of the above matter".*

   Management has undertaken several initiatives to restructure the operations of its subsidiary and establish profitable operations. The management believes that the synergy of the consolidated operations of parent and subsidiary increases the operational efficiency of the group. Considering tha investment in subsidiary is long term in nature and steps have been taken by the management for turnaround of the subsidiary, diminution in value is considered as temporary and management is of the view that no provision is required to be made to the carrying value of such investments and receivables.

7. The cost incurred in developing MSP is being written off as the envisaged system which is on a leased platform does not have any customers nor any immediate revenue potential due to changes in the market place.

8. The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year up to March 31, 2014 and the unaudited published year-to-date figures up to December 31, 2013, being the date of the end of the third quarter of the financial year which were subject limited review.

9. Previous year / period figures have been regrouped / reclassified wherever necessary to confirm with current year / period figures.

FOR IDENTIFICATION PURPOSES ONLY * S.R. BATLIBOI & ASSOCIATES LLP * CHENNAI * CHARTERED ACCOUNTANTS *

ALLSEC TECHNOLOGIES LIMITED Chennai

For and on behalf of the Board of Dire

A Sarava
Dire

Place: Chennai
Date: May 23, 2014