

Microsec Financial Services Limited

MICROSEC

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

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31ST MARCH 2011

(Rs. in Lacs except for Shares & EPS)

Particulars	Quarter Ended		Year Ended	
	2011	2010	31-Mar-11	31-Mar-10
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1 INCOME				
(a) Income from Operations	549.35	484.16	2,712.60	1,808.09
(b) Other Operating Income	-	-	-	-
Total Income	549.35	484.16	2,712.60	1,808.09
2 EXPENDITURE				
(a) Employees Cost	14.85	11.73	68.19	54.87
(b) Depreciation	24.21	25.73	95.10	100.92
(c) Other Expenditure	102.25	24.32	190.34	207.76
Total Expenditure	141.31	61.78	353.63	363.55
3 Profit from Operations before Other Income, Interest & Tax	408.04	422.38	2,358.97	1,444.54
4 Other Income	1.06	0.04	11.71	1.66
5 Profit before Interest & Tax	409.10	422.42	2,370.68	1,446.20
6 Interest	-	17.23	19.12	72.28
7 Profit before tax	409.10	405.19	2,351.56	1,373.92
8 Tax Expenses				
a) Current Tax	118.35	77.70	553.15	241.72
b) Deferred Tax	-10.05	5.16	-0.07	23.11
9 Net Profit	300.80	322.33	1,798.48	1,109.09
10 Paid up Equity Share Capital (Face Value per share Rs.10)	3,181.05	1,931.05	3,181.05	1,931.05
11 Reserves excluding Revaluation Reserves			17,574.97	3,762.49
12 Earnings per share (Basic & Diluted)	0.95*	1.67*	7.04	5.71
13 Public Shareholding				
- Number of Shares	13,180,500	1,882,867	13,180,500	1,882,867
- Percentage of Shareholding	41.43	9.75	41.43	9.75
14 Promoters and Promoter Group Shareholding				
a) Pledged/Encumbered				
Number of Shares	Nil	Nil	Nil	Nil
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil
Percentage of Shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil
b) Non-encumbered				
Number of Shares	18,630,000	17,427,633	18,630,000	17,427,633
Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00
Percentage of Shares (as a % of the total share capital of the company)	58.57	90.25	58.57	90.25

* Not annualised



AUDITED STANDALONE SEGMENT REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER & YEAR ENDED 31ST MARCH 2011

(Rs. in Lacs)

Particulars	Quarter Ended 31st March		Year Ended	Year Ended
	2011	2010	31-Mar-11	31-Mar-10
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1 Segment Revenue				
(a) Financing & Investment	544.23	154.53	2,038.14	1,114.02
(b) Investment Banking and Related Services	5.12	329.63	674.46	694.07
Total	549.35	484.16	2,712.60	1,808.09
Less : Inter Segment Revenue	-	-	-	-
Income from Operations	549.35	484.16	2,712.60	1,808.09
2 Segment Results				
Profit before Interest & Tax				
(a) Financing & Investment	437.24	115.33	1,789.19	779.02
(b) Investment Banking and Related Services	-12.34	302.82	624.72	635.85
Total	424.90	418.15	2,413.91	1,414.87
Less:	-	-	-	-
Interest (Refer note 1)	-	-	-	-
Other unallocable expenditure net of unallocable income	15.80	12.96	62.35	40.95
Profit before tax	409.10	405.19	2,351.56	1,373.92
3 Capital Employed				
(Segment Assets - Segment Liabilities)				
(a) Financing & Investment	17,138.67	4,088.45	17,138.67	4,088.45
(b) Investment Banking and Related Services	121.02	225.16	121.02	225.16
(c) Unallocated (Refer note 2)	3,496.33	1,286.23	3,496.33	1,286.23
Total	20,756.02	5,599.84	20,756.02	5,599.84

Notes :

1. The interest expense pertains to the segments having operations which are primarily of financial nature and therefore considered as part of segment results and not disclosed separately.

2. Excludes miscellaneous expenditure (to the extent not written off or adjusted) amounting to Rs. 93.71 lacs as at 31st March, 2010.

3 (i) Business Segments :

The Company has identified the following as business segments :

(a) Financing & Investment - consists of financing of loans and investments in shares & securities and income from royalty.

(b) Investment Banking & Related Services - consists of financial consultancy and debt syndication.

(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.



STATEMENT OF ASSETS & LIABILITIES (STANDALONE)

(Rs. in Lacs)

		As at 31st March	
		2011	2010
		(Audited)	(Audited)
1	Shareholder's Fund		
(a)	Share Capital	3,181.05	1,931.05
(b)	Reserves & Surplus	17,574.97	3,762.49
		20,756.02	5,693.54
2	Deferred Tax Liability (Net)	60.71	60.78
		20,816.73	5,754.32
Total			
3	Fixed Assets	879.61	965.99
4	Investments	4,424.41	1,595.11
5	Current Assets, Loans & Advances		
(a)	Sundry Debtors	69.90	24.82
(b)	Cash & Bank Balances	922.19	51.87
(c)	Loans & Advances	14,992.93	3,088.90
(d)	Other Current Assets	2.11	-
	Total	15,987.13	3,165.59
6	Less: Current Liabilities & Provisions		
(a)	Current Liabilities	27.24	65.47
(b)	Provisions	447.18	0.61
	Total	474.42	66.08
	Net Current Assets	15,512.71	3,099.51
7	Miscellaneous Expenditure	-	93.71
	(to the extent not written off or adjusted)		
	Total	20,816.73	5,754.32



Notes:

1. The Board of Directors recommended a dividend of Re 1 per equity share of face value of Rs. 10 each. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the company.
2. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 27th May, 2011.
3. The Company has made a public issue of 1,25,00,000 Equity Shares of Rs.10/- each for cash at a premium of Rs.108/- per equity share to Qualified Institutional Bidders, Non-institutional Bidders and to Retail Individual Bidders which had closed on 21st September, 2010. The Equity Shares of the Company were listed on the National Stock Exchange and Bombay Stock Exchange ("the Stock Exchanges") on 5th October, 2010.
4. The utilization of the Issue Proceeds from Initial Public Offer (IPO) are as follows:

Rs. In Lacs

Particulars	Funds allocated for the activity as per prospectus	Amount utilized upto March 31, 2011
Gross Proceeds of the Issue	14,750.00	14,750.00
Less : Issue related Expenses	1,096.70	1116.29
Net Proceeds of the Issue ("Net Proceeds")	13,653.30	13,633.71

Deployment		
Expansion of financing business of the company	11,300.00	11,027.32
Expansion of MCap's domestic operations by increasing network of branches	8,00.00	1,550.00*
Enhance MCap's existing technological capacity	7,50.00	
General Corporate Purpose	803.30	34.96
Short Term Investments in mutual funds and bank balance pending utilization		1021.43
Total	13,653.30	13,633.71

*Represents the amount invested in equity shares of Microsec Capital Limited (MCap) which is lying unutilized by MCap and thus invested in fixed deposits and bonds.

5. In terms of amended clause 41 of the listing agreement, details of the number of investor complaints for the quarter ended 31st March 2011, are: beginning – NIL, received –1, disposed off –1 and pending –NIL.
6. Figures for the previous period have been regrouped/ rearranged where necessary.

Place: Kolkata

Date: 27th May, 2011

For Microsec Financial Services Limited

B.L. Mittal

B.L.Mittal

Chairman cum Managing Director



Microsec Financial Services Limited

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AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31ST MARCH 2011**MICROSEC**

(Rs. in Lacs except for Shares & EPS)

Particulars	Quarter Ended 31st March		Year Ended	Year Ended
	2011	2010	31-Mar-11	31-Mar-10
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1 INCOME				
(a) Income from Operations	1,496.70	1,605.65	7,704.83	5,709.07
(b) Other Operating Income	-	-	-	-
Total Income	1,496.70	1,605.65	7,704.83	5,709.07
2 EXPENDITURE				
(a) Operating Cost	31.95	39.63	155.38	138.67
(b) Employees Cost	448.49	308.85	1,671.76	1,148.61
(c) Depreciation	70.16	67.26	255.86	312.19
(d) Other Expenditure	494.68	265.85	1,398.38	1,071.31
Total Expenditure	1,045.28	681.59	3,481.38	2,670.78
3 Profit from Operations before Other Income, Interest & Tax	451.42	924.06	4,223.45	3,038.29
4 Other Income	35.27	19.87	144.24	140.13
5 Profit before Interest & Tax	486.69	943.93	4,367.69	3,178.42
6 Interest	3.54	30.99	72.63	126.69
7 Profit before Tax	483.15	912.94	4,295.06	3,051.73
8 Tax Expenses				
a) Current Tax	151.42	173.65	991.67	588.75
b) Deferred Tax	(13.39)	11.51	25.39	31.98
c) Excess provision of earlier years - written back	-	(3.85)	-	(3.85)
9 Net Profit	345.12	731.63	3,278.00	2,434.85
10 Paid up Equity Share Capital (Face Value Rs.10 per share)	3,181.05	1,931.05	3,181.05	1,931.05
11 Reserves excluding Revaluation reserves			22,611.40	7,319.41
12 Earnings per share (Basic & Diluted)	1.08*	3.79*	12.83	12.53
13 Public Shareholding				
- Number of Shares	13,180,500	1,882,867	13,180,500	1,882,867
- Percentage of Shareholding	41.43	9.75	41.43	9.75
14 Promoters and Promoter Group Shareholding				
a) Pledged/Encumbered				
- No of Shares	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil
- Percentage of Shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil
b) Non-encumbered				
- No of Shares	18,630,000	17,427,633	18,630,000	17,427,633
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00
- Percentage of Shares (as a % of the total share capital of the company)	58.57	90.25	58.57	90.25

* Not annualised

Standalone financial results are summarised below and also available on the Company's website: www.microsec.in

Particulars	Quarter Ended 31st March		Year Ended	Year Ended
	2011	2010	31-Mar-11	31-Mar-10
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Gross Revenue	550.41	484.20	2,724.31	1,809.75
Profit before Tax	409.10	405.19	2,351.56	1,373.92
Profit after Tax	300.80	322.33	1,798.48	1,109.09



AUDITED CONSOLIDATED SEGMENT RESULTS FOR THE QUARTER & NINE MONTHS ENDED 31ST MARCH 2011

(Rs. in Lakhs)

Particulars	Quarter Ended 31st March		Year Ended	Year Ended
	2011	2010	31-Mar-11	31-Mar-10
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1 Segment Revenue				
(a) Financing & Investment	637.31	384.15	2,280.12	1,526.04
(b) Investment Banking and Related Services	154.38	553.04	2,099.64	1,499.62
(c) Brokerage (Equity, Commodities & Currency including Depository Services)& related services	580.79	497.93	2,486.79	2,125.02
(d) Wealth Management, Insurance Broking, Financial Planning, Distribution and related services	124.22	170.53	838.28	558.39
Total	1,496.70	1,605.65	7,704.83	5,709.07
Less : Inter Segment Revenue	-	-	-	-
Income from Operations	1,496.70	1,605.65	7,704.83	5,709.07
2 Segment Results Profit / (Loss) before Interest and Tax				
(a) Financing & Investment	573.67	341.60	2,021.00	1,182.95
(b) Investment Banking and Related Services	(54.29)	406.70	1,307.89	1,044.01
(c) Brokerage (Equity, Commodities & Currency including Depository Services)& related services	51.36	65.94	426.72	440.85
(d) Wealth Management, Insurance Broking, Financial Planning, Distribution and related services	60.34	117.75	659.77	372.56
Total	631.08	931.99	4,415.38	3,040.37
Interest (Refer note 1)	3.54	13.76	53.51	54.41
Other unallocable expenditure net of unallocable income	144.39	5.29	66.81	(65.77)
Profit before Tax	483.15	912.94	4,295.06	3,051.73
3 Capital Employed				
(Segment Assets - Segment Liabilities)				
(a) Financing & Investment	20,577.38	6,810.57	20,577.38	6,810.57
(b) Investment Banking and Related Services	1,041.43	888.15	1,041.43	888.15
(c) Brokerage (Equity, Commodities & Currency including Depository Services)& related services	597.14	607.71	597.14	607.71
(d) Wealth Management, Insurance Broking, Financial Planning, Distribution and related services	61.52	93.44	61.52	93.44
(e) Unallocated (Refer note 2)	3,514.98	756.88	3,514.98	756.88
Total	25,782.45	9,156.75	25,792.45	9,156.75

Notes :

1. The interest expense to the extent pertaining to the segments having operations which are primarily of financial nature are considered as part of segment results and not disclosed separately.

2. Excludes miscellaneous expenditure (to the extent not written off or adjusted) amounting to Rs. 93.71 lacs as at 31st March, 2010 which was incurred by the company in connection with its initial public offer of equity shares

3 (i) Business Segments :

The Company has identified the following as business segments :

- Financing & Investment - consists of financing of loans and investments in shares & securities
- Investment Banking & Related Services - consists of financial consultancy, professional fees and debt syndication.
- Brokerage (Equity, Commodities & Currency including Depository Services)& related services - consists of brokerage and related services
- Wealth Management, Insurance Broking, Financial Planning, Distribution and related services - consists of Brokerage from Insurance activities, distribution and financial planning services.

(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.



STATEMENT OF ASSETS & LIABILITIES (CONSOLIDATED)

(Rs. in Lacs)

		As at 31st March	
		2011	2010
		(Audited)	(Audited)
1	Shareholder's Fund		
(a)	Share Capital	3,181.05	1,931.05
(b)	Reserves & Surplus	22,611.40	7,319.41
		25,792.45	9,250.46
		100.56	401.12
2	Loan Funds		
		235.92	210.52
3	Deferred Tax Liability (Net)	26,128.93	9,862.10
	Total		
		2,419.09	2,352.88
4	Fixed Assets	3,806.81	869.08
5	Investments		
6	Current Assets, Loans & Advances		
(a)	Sundry Debtors	1,404.39	892.37
(b)	Cash & Bank Balances	3,000.68	1,931.02
(c)	Loans & Advances	18,119.58	5,612.56
(d)	Other Current Assets	98.18	80.66
	Total	22,622.83	8,516.61
7	Less: Current Liabilities & Provisions		
(a)	Current Liabilities	2,297.15	1,960.48
(b)	Provisions	422.65	9.70
	Total	2,719.80	1,970.18
		19,903.03	6,546.43
	Net Current Assets		
			93.71
8	Miscellaneous Expenditure		
	(to the extent not written off or adjusted)		
	Total	26,128.93	9,862.10



Notes:

1. The Board of Directors recommended a dividend of Re 1 per equity share of face value of Rs. 10 each. The payment is subject to the approval of the shareholders in the ensuing Annual General Meeting of the company.
2. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 27th May, 2011.
3. The Company has made a public issue of 1,25,00,000 Equity Shares of Rs.10/- each for cash at a premium of Rs.108/- per equity share to Qualified Institutional Bidders, Non-institutional Bidders and to Retail Individual Bidders which had closed on 21st September, 2010. The Equity Shares of the Company were listed on the National Stock Exchange and Bombay Stock Exchange ("the Stock Exchanges") on 5th October, 2010.
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Less : Issue related Expenses	1,096.70	1116.29
Net Proceeds of the Issue ("Net Proceeds")	13,653.30	13,633.71

Deployment		
Expansion of financing business of the company	11,300.00	11,027.32
Expansion of MCap's domestic operations by increasing network of branches	8,00.00	1,550.00*
Enhance MCap's existing technological capacity	7,50.00	
General Corporate Purpose	803.30	34.96
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Total	13,653.30	13,633.71

*Represents the amount invested in equity shares of Microsec Capital Limited (MCap) which is lying unutilized by MCap and thus invested in fixed deposits and bonds.

5. In terms of amended clause 41 of the listing agreement, details of the number of investor complaints for the quarter ended 31st March 2011, are: beginning – NIL, received –1, disposed off –1 and pending –NIL.
6. Figures for the previous period have been regrouped/ rearranged where necessary.

Place: Kolkata

Date: 27th May, 2011

For Microsec Financial Services Limited

B.L. Mittal

B.L.Mittal

Chairman cum Managing Director

