

www.microsec.in



www.ck.microsec.in



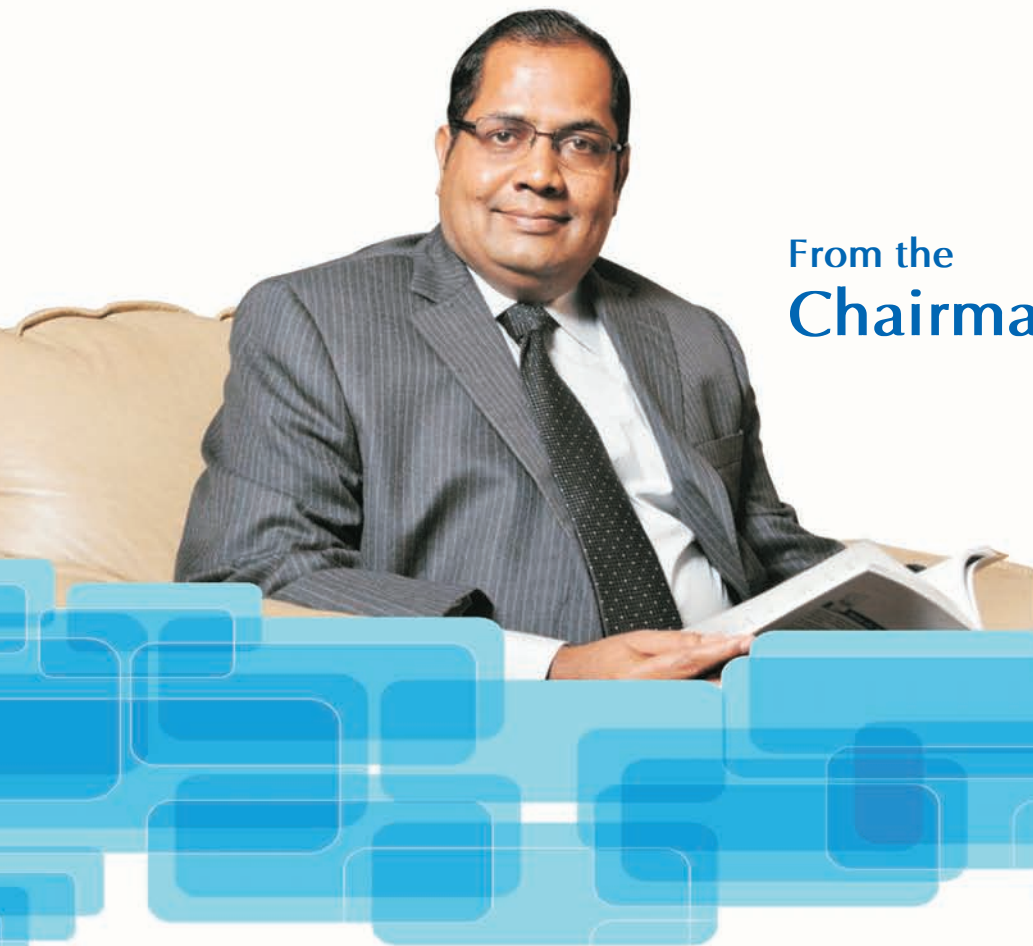
www.foreseegame.com

foreseegame.com
Foresight ka kamaal Jeeto prize dhamaal

www.sastasundar.com




MICROSEC enterprises
MAKING LIFE SIMPLE AND HAPPY



From the Chairman's Desk

Dear Shareholders

It gives me great pleasure to write to you at the end of another eventful year for your Company.

I am happy to inform you that your Company has been awarded the "Plaque" by The Institute of Chartered Accountants of India at 'ICAI Awards for Excellence in Financial Reporting' for the year 2011-12 under the Category Financial Services Sector (Other than Banking and Insurance).

These are exciting times for Microsec Enterprises. Our future beacons with lots of hope as we take concrete steps towards newer horizons with our core objective of "making life simple and happy".

In this era of digital solutions, your Company shall focus on businesses based on digital applications:

1. Your company shall have an integrated digital platform for all its financial services and shall expand by using its network of business partners and capitalising on its research and club Kautilya knowledge center.
2. Our newest business vertical, foreseegame.com is a value innovation in digital brand promotion and marketing media. This unique new age platform provides a two way engagement and partnership through direct interactions between brands and consumers. This revolutionary platform

has the potential to redefine the branding and marketing efforts in the country.

We have already partnered with some of the leading brands and provided more than 4 million consumer engagements to the brands associated with us.

3. Our soon to be launched health portal, sastasundar.com, shall be a game changer in the healthcare space by providing high quality healthcare at low cost. With the required infrastructure, channel partners and associations with medical practitioners in place, we shall use the knowledge and the best in class technology to reduce cost and to add convenience in making available medicine, healthcare products and other useful products with good quality.

Dear shareholders, I would like to take this opportunity to thank my colleagues on the Board for their valuable guidance and advice, the Management and employees for their leadership, dedication and passion for growth. I would like to specially thank our customers, business associates, bankers and shareholders for their continuous support.

With best wishes,

B. L. Mittal
Chairman and Managing Director

Corporate Information

BOARD OF DIRECTORS

Banwari Lal Mittal

Chairman and Managing Director

Ravi Kant Sharma

Managing Director & CEO

Parimal Kumar Chattaraj

Raj Narain Bhardwaj

Deba Prasad Roy

CHIEF FINANCIAL OFFICER

Giridhar Dhelia

COMPANY SECRETARY

Biplab Kumar Mani

REGISTERED OFFICE

Shivam Chambers, 1st Floor

53, Syed Amir Ali Avenue

Kolkata - 700 019

Phone : +91 33 3051 2100

Fax : +91 33 3051 2020

E-mail : info@microsec.in

Website : www.microsec.in

CORPORATE OFFICE

Azimganj House, 2nd Floor

7, Camac Street

Kolkata - 700 017

Phone : +91 33 2282 9330

Fax : +91 33 2282 9335

BANKERS

HDFC Bank Limited

Axis Bank Limited

Indusind Bank Limited

AUDITORS

S. R. Batliboi & Co. LLP,

Chartered Accountants

22, Camac Street, Block 'C'

3rd Floor, Kolkata - 700 016

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited

59C, Chowringhee Road, 3rd Floor

Kolkata - 700 020

Phone : +91 33 2289 0539/40

Fax : +91 33 2289 0539

E-mail : kolkata@linkintime.co.in

Website : www.linkintime.co.in

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Notice

NOTICE is hereby given that the 24th Annual General Meeting of the members of Microsec Financial Services Limited will be held on Wednesday, the 14th day of August, 2013 at 10.30 a.m. at "Gyan Manch", 11 Pretoria Street, Kolkata - 700 071 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Raj Narain Bhardwaj, who retires from office by rotation, and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution :
"RESOLVED that pursuant to the provisions of Sections 224, 225 and other applicable provisions, if any, of the Companies Act, 1956 and subject to other applicable provisions, if any, S. R. Batliboi & Co. LLP, Chartered Accountants (Registration No. 301003E), formerly known as S. R. Batliboi & Co, Chartered Accountants be appointed as statutory auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on a remuneration (including terms of payment) to be fixed by the Board of Directors of the Company."

Registered Office :

Shivam Chambers, 1st Floor
53 Syed Amir Ali Avenue
Kolkata - 700 019
Date : 24th May, 2013

By Order of the Board
Microsec Financial Services Limited

Biplab Kumar Mani
Company Secretary

NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND VOTE ON A POLL, IF ANY, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE, NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ANNEXED TO THIS NOTICE.**
2. Brief resume of the Director proposed to be re-appointed in terms of Clause 49 of the Listing Agreement entered into with the Stock Exchanges are annexed herewith.
3. Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, the 6th August, 2013 to Wednesday, the 14th August, 2013 (both days inclusive).
4. Members holding shares in physical form are requested to intimate change in their registered address mentioning full address in block letters with Pin Code of the Post Office, Bank particulars and Permanent Account Number (PAN) to the Company's Registrar and Share Transfer Agent and in case of members holding their shares in electronic form, this information should be given to their Depository Participants immediately.
5. Pursuant to Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to download the nomination form (Form 2B) from the Company's Website under the section "Investors Relation" and send their requests in Form No. 2B in duplicate to the R&T Agent.
6. Members are requested to send their queries, if any, on the accounts or operations of the Company, to reach the Company Secretary at the Company's Registered Office, at least 7 (seven) working days prior to the meeting, so that the information can be compiled in advance.
7. Members are requested to mention their Folio Number/Client I.D./DP I.D. Number (in case of shares held in dematerialized form) in all their correspondence with the Company/Depository Participant in order to facilitate response to their queries promptly.

Notice

8. Members/Proxies are requested to kindly take note of the following:
 - (i) copies of Annual Report will not be distributed at the venue of the meeting;
 - (ii) attendance Slip, as sent herewith, is required to be produced at the venue duly filled-in and signed, for attending the meeting;
 - (iii) entry to the hall will be strictly on the basis of produce of duly completed and signed Attendance Slips; and
 - (iv) in all correspondence with the Company and/or the R&T Agent, Folio No./DP & Client ID no. must be quoted.
9. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificate to enable the Company to consolidate their holdings in one folio.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
12. Link Intime India Private Limited ("Link") is the Registrar & Share Transfer Agent of the Company. All investor related communication may be addressed to "Link" at the following address:

Link Intime India Private Limited
59C, Chowringhee Road, 3rd Floor,
Kolkata - 700020
Phone : +91 33 2289 0539/40
Fax : +91 33 2289 0539
13. Non-resident Indian Members are requested to inform "Link", immediately of:
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their Bank account maintained in India with complete name, branch, account type, account number and address of the Bank with pincode no., if not furnished earlier.
14. Members are requested to visit the website of the Company 'www.microsec.in' for viewing the quarterly & annual financial results and for more information on the Company.
15. For any investor-related queries, communication may be sent by e-mail to 'investors@microsec.in'.
16. The Ministry of Corporate Affairs (MCA) has taken "Green Initiative" by allowing paperless compliances by the companies and has issued circulars stating that notice/annual reports to the shareholders can be sent by e-mails. To support this green initiative of the Government in full measure, the Company will be sending its Annual Report as well as other correspondence by e-mail, to those shareholders whose email ids are registered with the Company/their respective Depository Participants. The Notice of Annual General Meeting and the copies of audited financial statements, directors' report, auditors' report, etc. will also be displayed on the website www.microsec.in of the Company. Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar and Share Transfer Agent of the Company at the address mentioned in Note No. 12 above quoting their folio number(s). In case any Member to whom an electronic copy of Annual Report has been sent, desires to receive a physical copy, he may request the Company to send the same.

Registered Office :

Shivam Chambers, 1st Floor
53 Syed Amir Ali Avenue
Kolkata - 700 019
Date : 24th May, 2013

By Order of the Board
Microsec Financial Services Limited

Biplab Kumar Mani
Company Secretary

Notice

Pursuant to Clause 49 of the listing agreement with the stock exchanges, following information is furnished about the Directors proposed to be appointed/re-appointed

| | |
|--|---|
| Name of Director | Mr. Raj Narain Bhardwaj |
| Date of Birth | 08-05-1945 |
| Date of Appointment on the Board | 05-09-2009 |
| Expertise in specific functional Area | Management Consultant |
| Qualification | Post graduate degree in economics from the Delhi School of Economics and a Diploma in Industrial Relations and Personnel Management from Punjabi University, Patiala. |
| Directorship in other limited Companies | Jaiprakash Associates Limited Dhunseri Petrochem & Tea Limited Jaypee Infratech Limited Jaiprakash Power Ventures Limited Amtek Auto Limited Rupa & Company Limited SREI Alternative Investment Managers Limited Milestone Capital Advisors Limited Reliance Infratel Limited SBI Life Insurance Company Limited |
| Membership/Chairmanship of *Committees of the Board of Directors of the Company | Member : Audit Committee Chairman : Shareholders'/Investors' Grievance and Share Transfer Committee |
| Chairman/Member of the *Committee of the Board of Directors of other companies in which he/she is a Director | Chairman of the Audit Committee of : Jaiprakash Associates Limited Member of the Audit Committee of : Milestone Capital Advisors Limited Reliance Infratel Limited Jaiprakash Power Ventures Limited SBI Life Insurance Company Limited Member of Shareholders'/Investors' Grievance and Share Transfer Committee of : Reliance Infratel Limited SBI Life Insurance Company Limited |
| Shareholding of Director in the Company | Nil |
| Inter-se relations with any director of the Company | None |

* Includes only Audit Committee and Shareholders'/Investors' Grievance and Share Transfer Committee

Directors' Report

To the Members,

Your Directors have pleasure in presenting the 24th Annual Report together with the Audited Accounts of the Company for the financial year ended 31st March, 2013.

FINANCIAL HIGHLIGHTS

A summary of Consolidated Financial Results of the Company and its subsidiaries for the year ended 31st March, 2013 is given below :

(Rs. in Lacs)

| Particulars | Year ended 31.03.2013 | Year ended 31.03.2012 |
|--|--------------------------|--------------------------|
| Total Revenue | 4,762.45 | 5,797.26 |
| Profit before Interest, Depreciation & Tax | 1,549.18 | 2,886.50 |
| Less : Depreciation | 170.25 | 603.25 |
| Less : Interest | 113.68 | 51.97 |
| Profit before Taxation | 1,265.25 | 2,231.28 |
| Less : Provision for Taxation | | |
| - Current Tax | 325.09 | 774.68 |
| - Deferred Tax | 62.10 | (49.28) |
| - Excess Provision of Income Tax for earlier years, written back | — | (18.51) |
| Profit for the year before Minority Interest | 878.06 | 1,524.39 |
| Less : Minority Interest | 1.40 | — |
| Less : Proportionate share of Loss in associate | 57.06 | 120.63 |
| Profit for the Year | 819.60 | 1,403.76 |
| Balance brought forward from previous year | 8,209.85 | 7,420.30 |
| Balance Available for appropriation | 9,029.45 | 8,824.06 |
| Less : Appropriations | | |
| Transfer to Reserve under section 45-IC of the RBI Act, 1934 | 196.06 | 232.00 |
| Transfer to Debenture Redemption Reserve | 0.22 | 12.50 |
| Proposed Dividend | — | 318.11 |
| Dividend Tax thereon | — | 51.60 |
| Balance of Profit carried forward | 8,833.17 | 8,209.85 |

Directors' Report

A summary of the Standalone Financial Results for the year ended 31st March, 2013 is given below :

(Rs. in Lacs)

| Particulars | Year ended 31.03.2013 | Year ended 31.03.2012 |
|--|--------------------------|--------------------------|
| Total Revenue | 1,789.86 | 2,289.45 |
| Profit before Interest, Depreciation & Tax | 1,335.60 | 2,023.57 |
| Less : Depreciation | 38.72 | 441.36 |
| Less : Interest | 5.19 | 0.32 |
| Profit before Taxation | 1,291.69 | 1,581.89 |
| Less : Provision for Taxation | | |
| - Current Tax | 297.51 | 612.07 |
| - Deferred Tax | 17.95 | (109.48) |
| - Excess Tax Provision relating to earlier years no longer required written back | — | (11.94) |
| Profit for the year | 976.23 | 1,091.24 |
| Balance brought forward from previous year | 3,096.79 | 2,594.26 |
| Balance Available for appropriation | 4,073.02 | 3,685.50 |
| Less : Appropriations | | |
| Transfer to Reserve under section 45-IC of the RBI Act, 1934 | 196.00 | 219.00 |
| Proposed dividend | — | 318.11 |
| Dividend Tax thereon | — | 51.60 |
| Balance of Profit carried forward | 3,877.02 | 3,096.79 |

REVIEW OF OPERATIONS

The slowdown in Indian economy has adversely impacted performance of many companies including yours. The recessionary signs were clearly visible across many sectors at the beginning of the year and accordingly your directors strategically tighten the grip on capital and liquidity and implemented various measures to ensure the same. These measures have also impacted the performance of the Company during the year. On consolidated basis, the total income of the Company for the financial year ended March 31, 2013 decreased by 17.85% to Rs. 4762.45 Lacs and the profit after tax was Rs. 819.60 Lacs, decrease of 41.61% over previous year.

DIVIDEND

Keeping in view the growth plans of the Company, your directors think it prudent to preserve the cash for growth plans and do not recommend any dividend for the financial year 2012-13.

SUBSIDIARY AND CONSOLIDATED RESULTS OF OPERATIONS

As at March 31, 2013 the Company's subsidiaries and step-down subsidiaries are as follows :

| Sl. No. | Name | Sl. No. | Name |
|---------|------------------------------------|---------|---|
| 1. | Microsec Capital Limited | 8. | Bharatiya Sanskriti Village Private Limited |
| 2. | Microsec Resources Private Limited | 9. | Myjoy Tasty Food Private Limited |
| 3. | Microsec Technologies Limited | 10. | Myjoy Hospitality Private Limited |
| 4. | Microsec Commerze Limited | 11. | Myjoy Technologies Private Limited |
| 5. | Microsec Insurance Brokers Limited | 12. | Myjoy Pharmaceuticals Private Limited |
| 6. | PRP Technologies Limited | 13. | Sasta Sundar Shop Private Limited |
| 7. | Microsec Health Buddy Limited | | |

Directors' Report

The Statement pursuant to Section 212 of the Companies Act, 1956, containing details of the Company's subsidiaries forms part of the Annual Report.

In terms of the Circular No. 2/2011 dated February 8, 2011 issued by the Ministry of Corporate Affairs, Government of India, the balance sheet, statement of profit and loss and other documents of the aforesaid subsidiaries are not attached to the Balance Sheet as on March 31, 2013 of your Company. The Annual Report 2012-13 of the aforesaid subsidiaries will be made available to the shareholders of the Company upon receipt of written requests from them. The Annual Report 2012-13 of the aforesaid subsidiary companies will also be kept for inspection by the shareholders of the Company at the Registered Office of your Company and of the subsidiaries concerned between 10.30 a.m. and 1.30 p.m. on any working day.

In compliance with the requirements of the aforesaid Circular, a Statement showing relevant details for the year ended March 31, 2013 of the subsidiaries of the Company have been included in the Consolidated Financial Statements of the Company which forms part of this Annual Report.

RESTRUCTURING OF MICROSEC GROUP

Your Company has successfully implemented the restructuring proposal as approved by the shareholders. Your company has acquired 100% stake of Microsec Health Buddy Limited (formerly Myjoy Fun & Food Pvt. Ltd.) ("MHBL") and also integrated the business of foreseegame.com with Microsec Technologies Limited, a 100% ultimate subsidiary of the Company.

Please refer to Management Discussion and Analysis for details.

AWARDS AND RECOGNITION

Your Company has been awarded the "Plaque" by The Institute of Chartered Accountants of India at 'ICAI Awards for Excellence in Financial Reporting' for the year 2011-12 under the Category Financial Services Sector (Other than Banking and Insurance).

DIRECTORS

In accordance with the provisions of Section 255 and 256 of the Companies Act, 1956, Mr. Raj Narain Bhardwaj, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offer himself for reappointment.

Brief resume of the Director seeking appointment, reappointment as stipulated under Clause 49 of the Listing Agreement, are provided in the Report on Corporate Governance forming part of the Annual Report.

Based on the confirmations received, none of the Director are disqualified for appointment under Section 274(1)(g) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the Companies Act, 1956, your Directors confirm that :

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) they have, in the selection of the accounting policies, consulted the Statutory Auditors and these have been applied consistently and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the profit of the Company for the year ended on that date;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the annual accounts have been prepared on a going concern basis.

Directors' Report

AUDIT COMMITTEE

The Audit Committee presently comprises of :

Mr. Parimal Kumar Chattaraj - Chairman

Mr. Raj Narain Bhardwaj,

Mr. Deba Prasad Roy and

Mr. Ravi Kant Sharma

SHAREHOLDERS/INVESTORS' GRIEVANCE AND SHARE TRANSFER COMMITTEE

The Shareholders/Investors' Grievance and Share Transfer Committee of the Board of Directors presently comprises of:

Mr. Raj Narain Bhardwaj - Chairman

Mr. Parimal Kumar Chattaraj and

Mr. Banwari Lal Mittal

REMUNERATION AND COMPENSATION COMMITTEE

The Remuneration and Compensation Committee of the Board of Directors presently comprises of:

Mr. Parimal Kumar Chattaraj - Chairman

Mr. Raj Narain Bhardwaj and

Mr. Deba Prasad Roy.

CORPORATE GOVERNANCE

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

Certificate from the Statutory Auditors M/s S. R. Batliboi & Co. LLP, Chartered Accountants regarding compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges is annexed to the report.

Your Company has taken adequate steps for strict compliance with the Corporate Governance guidelines, as amended from time to time.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

CEO AND CFO CERTIFICATION

In accordance with the provisions of the Listing Agreement pertaining to corporate governance norms, Mr. Ravi Kant Sharma, MD & CEO and Mr. Giridhar Dhelia, CFO have certified inter-alia, about review of financial statements and establishing & maintaining internal control to the financial reporting for the year ended 31st March, 2013. The said certificate forms an integral part of annual report.

AUDITORS

The Members are informed that the name of the statutory auditors S. R. Batliboi & Co., Chartered Accountants (Regn. No. 301003E) has been changed to S. R. Batliboi & Co. LLP, Chartered Accountants (Regn. No. 301003E) with effect from April 1, 2013 consequent to their conversion into a Limited Liability Partnership.

The auditors, S. R. Batliboi & Co. LLP, Chartered Accountants will retire at the ensuing AGM. As recommended by the Audit Committee, the Board has proposed the re-appointment of S. R. Batliboi & Co. LLP, Chartered Accountants as statutory auditors for fiscal 2014.

The Company has received letter from the auditor to the effect that their re-appointment, if made, would be within the prescribed