

# MAROTI & ASSOCIATES

Chartered Accountants

Mercantile Building, 9/12, Lal Bazar Street  
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Kolkata - 700 001  
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## Independent Auditor's Report

To the Members of

**MICROSEC COMMERZE LIMITED**

### REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of **MICROSEC COMMERZE LIMITED** ('the Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.





## **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidences about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2016 and its **PROFIT** and its cash flows for the year ended on that date.



**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2016 taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and





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- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company does not have any pending litigations which would impact its financial position.
  - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses. However the Company does not have any ongoing long-term contracts including derivative contracts as on the Balance sheet date.
  - c. There are no such amounts appearing in the books which are required to be transferred to the Investor Education and Protection Fund by the Company.

For MAROTI & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 322770E



*Kurana*

(CA. KOMAL SURANA)

Partner

Membership Number 303583

Place - Kolkata  
Date - 21<sup>st</sup> May, 2016

**Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March 2016, we report that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner. In accordance with this programme, fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.  
c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no immovable properties are held in the name of the Company. Accordingly, this clause is not applicable.
2. The Company had no inventories during the year, thus, paragraph 3(ii) of the Order is not applicable to the Company.
3. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. The Company has not given any guarantee(s) or provided any security for loan taken by third party.
5. The Company has not accepted any deposits from the public. Accordingly, the Directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable to the company for the year under audit.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.





7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March 2016 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute.
8. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration hence Accordingly, paragraph 3 (xi) of the Order is not applicable .



12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.



For MAROTI & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 322770E

*Surana*

(CA. KOMAL SURANA)  
Partner

Membership Number 303583

Place - Kolkata  
Date - 21<sup>st</sup> May, 2016



### **Annexure - B to the Auditors' Report**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **MICROSEC COMMERZE LIMITED** ("the Company") as of 31<sup>st</sup> March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable





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to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

## MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the





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company are being made only in accordance with authorizations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



For MAROTI & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 322770E

*Surana*  
(CA. KOMAL SURANA)  
Partner

Membership Number 303583

Place - Kolkata  
Date - 21<sup>st</sup> May, 2016



## MICROSEC COMMERZE LIMITED

Corporate Identification No. (CIN) - U74140WB1994PLC066386

Shivam Chambers, 1st Floor, 53, Syed Amir Ali Avenue

Kolkata-700019



## BALANCE SHEET AS AT MARCH 31, 2016

	Notes	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' Funds			
(a) Share Capital	3	1,60,29,500	1,60,29,500
(b) Reserves and Surplus	4	8,43,32,906	7,99,39,431
(2) Current Liabilities			
(a) Trade Payables	5		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small		25,29,676	17,01,772
(b) Other Current Liabilities	6	53,86,507	34,40,117
(c) Short Term Provision	7	79,003	-
		<b>10,83,57,592</b>	<b>10,11,10,820</b>
<b>II. ASSETS</b>			
(1) Non Current Assets			
(a) Fixed Assets	8		
(i) Tangible Assets		67,982	1,22,768
(ii) Intangible Assets		2,716	46,389
(b) Deferred Tax Assets (Net)	9	-	38,901
(c) Non Current Investments	10	8,15,04,743	7,06,54,260
(d) Long Term Loans and Advances	11	23,30,000	72,78,500
(e) Other Non Current Assets	12	-	16,64,915
(2) Current Assets			
(a) Trade Receivables	13	2,00,703	81,434
(b) Cash and Bank Balances	14	1,52,43,529	1,01,99,330
(c) Short Term Loans and Advances	11	85,16,730	91,34,261
(d) Other Current Assets	12	4,91,189	18,90,062
		<b>10,83,57,592</b>	<b>10,11,10,820</b>

Summary of Significant Accounting Policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Maroti &amp; Associates

Chartered Accountants

Firm Registration No: 322770E

Komal Surana

Partner

Membership No. 303583

For and on behalf of the Board of Directors



B.L. Mittal

Director

DIN:00365809

Ravi Kant Sharma

Director

DIN:00364066

Place: Kolkata

Date: 21st May, 2016

## MICROSEC COMMERZE LIMITED

Corporate Identification No. (CIN) - U74140WB1994PLC066386

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## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Notes	2015-16	2014-15
		Rs.	Rs.
I. Revenue from Operations	15	44,37,519	89,71,985
II. Other Income	16	57,67,864	75,83,276
<b>III. TOTAL REVENUE</b>		<b>1,02,05,383</b>	<b>1,65,55,261</b>
<b>IV. Expenses:</b>			
Employee Benefits Expenses	17	29,46,217	41,71,860
Finance Costs	18	22,784	19,25,946
Depreciation and Amortization Expenses	19	94,968	2,37,719
Other Expenses	20	26,09,488	42,32,401
<b>TOTAL EXPENSES</b>		<b>56,73,457</b>	<b>1,05,67,926</b>
<b>V. PROFIT BEFORE TAX</b>		<b>45,31,926</b>	<b>59,87,335</b>
<b>VI. Tax Expenses</b>			
- Current Tax		-	-
- Provision for Income Tax relating to earlier years		99,550	-
- Deferred Tax		38,901	(50,934)
<b>VII. PROFIT FOR THE YEAR</b>		<b>43,93,475</b>	<b>60,38,269</b>
<b>VIII. Earnings per equity share:</b>			
Basic and diluted (Face Value per Share Rs. 10 each) (in Rs.)	21	2.74	3.77
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Maroti &amp; Associates

Chartered Accountants

Firm Registration No: 322770E

Komal Surana

Partner

Membership No. 303583



For and on behalf of the Board of Directors

B.L. Mittal

Director

DIN:00365809

Ravi Kant Sharma

Director

DIN:00364066

Place: Kolkata

Date: 21st May, 2016



**Cash Flow Statement for the year ended 31st March, 2016**

Particulars	2015-16 in Rs.	2014-15 in Rs.
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	45,31,926	59,87,335
<b>Adjustment for :</b>		
Depreciation and Amortization expense	94,968	2,37,719
Profit on sale of Fixed Assets	(56,509)	-
Interest on Bank Deposits and others	(12,68,191)	(40,86,462)
Irrecoverable debts/advances written off	-	61,230
Share of Profit from Limited Liability Partnership	(48,50,491)	(65,76,816)
Unspent Liability no longer required written back	(1,125)	(5,175)
Provision for Gratuity	-	56,301
Interest Expense	22,784	19,25,946
<b>Operating Loss before Working Capital Changes</b>	<b>(15,26,638)</b>	<b>(23,99,922)</b>
<b>Adjustment for :</b>		
Decrease in Long Term Loans and Advances	49,48,500	49,75,000
Decrease in Short Term Loans and Advances	2,87,783	8,54,99,070
(Increase) in Trade Receivables	(1,19,269)	(48,739)
Increase/(Decrease) in Trade Payables	8,29,029	(62,90,182)
Increase/(Decrease) in Other Current Liabilities	19,46,390	(9,22,39,881)
Increase in Short term Provisions	79,003	-
<b>Cash from/(Used in) operations</b>	<b>64,44,798</b>	<b>(1,05,04,654)</b>
Direct taxes paid (Net)	2,48,536	(4,10,847)
<b>Net Cash from/(Used in) Operating Activities</b>	<b>66,93,334</b>	<b>(1,09,15,501)</b>
<b>B. Cash Flow from Investing Activities</b>		
Investment in shares of Microsec Health Buddy Limited	(4,99,99,992)	-
Redemption from Investment in Limited Liability Partnership	4,40,00,000	40,00,000
Proceeds from sale of Fixed Assets	60,000	-
Interest on Bank Deposits and others	28,13,641	36,13,142
Purchase of Fixed Deposits	(87,50,000)	-
Encashment of Fixed Deposits	1,00,00,000	-
<b>Net Cash from/(Used in) investing activities</b>	<b>(18,76,351)</b>	<b>76,13,142</b>
<b>C. Cash Flows from Financing Activities</b>		
Interest expense	(22,784)	(19,25,946)
<b>Net cash from/(Used in) Financing Activities</b>	<b>(22,784)</b>	<b>(19,25,946)</b>
<b>Net Change in Cash and Cash Equivalents (A+B+C)</b>	<b>47,94,199</b>	<b>(52,28,305)</b>
<b>Cash and Cash equivalents - Opening Balance*</b>	<b>1,99,330</b>	<b>54,27,635</b>
<b>Cash and Cash equivalents - Closing Balance*</b>	<b>49,93,529</b>	<b>1,99,330</b>

\*Represents Cash & Bank Balances as indicated in Note 14 and excludes Rs. 1,02,50,000 (Rs. 1,00,00,000) of Fixed Deposit with maturity more than three months.

As per attached report of even date

**For Maroti & Associates**  
Chartered Accountants  
Firm Registration No: 322770E

**Komal Surana**  
Partner  
Membership No. 303583

Place: Kolkata  
Date: 21st May, 2016

**For and on behalf of the Board of Directors**

**B.L. Mittal**  
Director  
DIN:00365809

**Ravi Kant Sharma**  
Director  
DIN:00364066



*B.L. Mittal*

*R.K. Sharma*

**Notes to Financial Statements as at and for the year ended 31st March, 2016**

**1. Basis of preparation of Financial Statements**

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements in all material aspect with the accounting standard notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies applied by the company, are consistent with those used in the previous year.

**2. Summary of Significant Accounting Policies:**

**i) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting year end. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets and liabilities in future periods.

**ii) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Broking Activities**

Revenue from brokerage activities is accounted for on trade date basis and excludes Service Tax.

**Interest**

Interest from fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Penal Charges**

Penal charges for delayed receipt of dues from the clients are credited on accrual basis, as per managements' judgment as to the certainty in realization thereof.

**Dividend**

Dividend income is recognized when the shareholder's right to receive payment is established by the balance sheet date.

**iii) Tangible Fixed Assets**

Tangible Fixed Assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use.

**iv) Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.





**Notes to Financial Statements as at and for the year ended 31st March, 2016**

**v) Depreciation and Amortization on tangible and intangible assets**

- a. Depreciation on fixed assets is calculated on a WDV basis using the rates arrived at based on the useful lives estimated by the management which is as per the rates specified in Schedule II of the Companies Act, 2013.
- b. Depreciation on Fixed Assets added/disposed off during the year is provided on prorata basis with reference to the date of addition/disposal.
- c. Computer softwares are amortized on straight line basis over a period of three/five years from the date the assets become available for use.

**vi) Impairment of Tangible & Intangible Assets**

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and 'Value in use' of the assets. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation, amortization is provided on the revised carrying amount of the assets over its remaining useful lives.

A previously recognized impairment loss is increased or reversed depending on the changes in the circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation/amortization if there was no impairment.

**vii) Investments**

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investment are made are classified as Current Investments. All other Investments are classified as Long term Investments. Current Investments are stated at lower of cost and market rate on an individual investment basis. Long term investments are considered "at cost" on individual investment basis, unless there is a decline other than temporary in the value, in which case adequate provision is made against such diminution in the value of investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit & Loss.

**viii) Taxation**

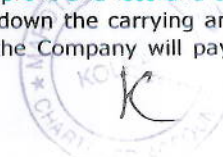
Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the

The deferred tax for timing differences between the book and tax profit for the year is accounted for using the tax rates and laws that have been substantively enacted as of the Balance Sheet date. Deferred tax asset is recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying amount of deferred tax asset is reviewed at each Balance Sheet date. The company writes down the carrying amount of a Deferred Tax Asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

At each Balance Sheet date, the company recognizes the unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

  
K. K. CHATTERJEE & CO.  
CHARTERED ACCOUNTANTS



**Notes to Financial Statements as at and for the year ended 31st March, 2016**

**ix) Retirement and other employees benefits**

a. Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to a reduction in future payment or a cash refund.

b. Gratuity liability being a defined benefit obligation is provided for on the basis of actuarial valuation on projected unit credit method at the end of each financial year. Actuarial gains / losses are recognised in full in the period in which they occur in the statement of profit and loss. The Company has got an approved gratuity fund which has taken an insurance policy with Life Insurance Corporation of India (LIC) to cover the gratuity liabilities.

c. Short term compensated absences are provided for based on estimates.

**x) Earning Per Share**

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average numbers of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**xi) Segment Reporting**

**a) Identification of Segments :**

The Company has identified that its business segments are the primary segments. The Company's operating businesses are organized and managed separately according to the nature of products/services provided, with each segment representing a strategic business unit that offers different products/services and serves different markets. The analysis of geographical segments is based on the areas in which the operating divisions of the company operates.

**b) Allocation of Common Costs:**

Common allocable costs are allocated to each segment according to the relevant contribution of each segment to the total common cost. Revenue and expenses which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis are included under the head "Unallocated -Common".

The accounting policies adopted for segment reporting are in line with those of the Company.

**xii) Cash and Cash Equivalents**

Cash and cash equivalents in the cash flow statement comprise of Cash at Bank and Cash/Cheque on hand and fixed deposits with an original maturity of three months or less.

**xiii) Provisions**

A Provisions is recognized when the company has a present obligation as a result of past event, it is probable that there will be an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**xiv) Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the financial statements.





## MICROSEC COMMERZE LIMITED

Corporate Identification No. (CIN) - U74140WB1994PLC066386

Shivam Chambers, 1st Floor, 53, Syed Amir Ali Avenue

Kolkata-700019



## Notes to Financial Statements as at and for the year ended 31st March, 2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
<b>3: SHARE CAPITAL</b>		
<b>Authorised</b>		
16,10,000 (16,10,000) Equity Shares of Rs.. 10 each	1,61,00,000	1,61,00,000
<b>Issued, Subscribed and Paid-up</b>		
16,02,950 (16,02,950) equity shares of Rs.. 10 each, fully paid up	1,60,29,500	1,60,29,500

## (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31st March, 2016		31st March, 2015	
	Nos.	Rs.	Nos.	Rs.
Outstanding at the beginning and at the end of the year	16,02,950	1,60,29,500	16,02,950	1,60,29,500

## (b) Terms / Rights attached to the equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The Shareholders are entitled to dividends which the Board of Directors may propose, after distribution of preferential amounts, if any, subject to the approval of the shareholders at the general meetings.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## (c) Details of shareholders holding more than 5% shares of the Company

Name of the shareholder	As at 31.03.2016		As at 31.03.2015	
	No. of Shares	% of holding	No. of Shares	% of holding
Microsec Capital Limited, Holding Company and its nominees	16,02,950	100%	16,02,950	100%

As per the records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents beneficial ownership of shares.

## 4: RESERVE AND SURPLUS

<b>Securities Premium Account</b>	(A)	7,68,69,500	7,68,69,500
<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>			
As per Last Account		30,69,931	(29,43,612)
Add: Profit for the year		43,93,475	60,38,269
Less : Transitional Provision for depreciation under Companies Act, 2013 (Net of Deferred tax of Rs. 11,057)		-	(24,726)
	(B)	74,63,406	30,69,931
	(A+B)	8,43,32,906	7,99,39,431



**MICROSEC COMMERZE LIMITED**

Corporate Identification No. (CIN) - U74140WB1994PLC066386

Shivam Chambers, 1st Floor, S3, Syed Amir Ali Avenue

Kolkata-700019



Notes to Financial Statements as at and for the year ended 31st March, 2016

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
<b>5: TRADE PAYABLES</b>		
Due to Micro and Small Enterprises*	-	-
Due to clients	22,84,654	13,66,501
Balance Overdrawn as per books	-	1,477
Due to Commodity Exchanges	36,385	57,599
Due to Others	2,08,637	2,76,195
	<b>25,29,676</b>	<b>17,01,772</b>

\*Based on the information / documents available with the Company, no creditor is covered under Micro, Small and Medium Enterprise Development Act, 2006. As a result, no interest provisions / payments have been made by the company to such creditors, if any, and no disclosures thereof are made in these financial statement.

**6: OTHER CURRENT LIABILITIES**

Security Deposits	3,10,000	4,63,174
Margin from Clients	47,95,032	28,68,693
Others		
-Statutory Dues Payable	38,930	45,536
-Other Payable	2,42,545	62,714
	<b>53,86,507</b>	<b>34,40,117</b>

**7: SHORT TERM PROVISION**

Provision for Gratuity [Refer Note 23]	79,003	-
	<b>79,003</b>	<b>-</b>





**Notes to Financial Statements as at and for the year ended 31st March, 2016**

**8. FIXED ASSETS :**

**(i) Tangible Assets**

(Amount in Rs.)

Particulars	Computers	Office Equipments	Total
<b>Gross Block</b>			
At April 1, 2014	12,84,899	4,82,386	17,67,285
Additions	-	-	-
Disposals	-	-	-
At March 31, 2015	12,84,899	4,82,386	17,67,285
Additions	-	-	-
Disposals	-	52,900	52,900
At March 31, 2016	12,84,899	4,29,486	17,14,385
<b>Depreciation</b>			
At April 1, 2014	11,07,574	3,39,204	14,46,778
Impact of Transitional Provision for depreciation under the Companies Act, 2013	6,294	29,489	35,783
Charge For the Year	94,444	67,512	1,61,956
Disposals	-	-	-
At March 31, 2015	12,08,312	4,36,205	16,44,517
Charge For the Year	29,376	21,919	51,295
Disposals	-	49,409	49,409
At March 31, 2016	12,37,688	4,08,715	16,46,403
<b>Net Block</b>			
At March 31, 2015	76,587	46,181	1,22,768
At March 31, 2016	47,211	20,771	67,982

**(ii) Intangible Assets**

Particulars	Membership Rights	Computer Software	Total
<b>Gross Block</b>			
At April 1, 2014	5,00,000	5,76,954	10,76,954
Purchase	-	-	-
Disposals	-	-	-
At March 31, 2015	5,00,000	5,76,954	10,76,954
Purchase	-	-	-
Disposals	-	-	-
At March 31, 2016	5,00,000	5,76,954	10,76,954
<b>Amortization</b>			
At April 1, 2014	5,00,000	4,54,802	9,54,802
Charge For the Year	-	75,763	75,763
Disposals	-	-	-
At March 31, 2015	5,00,000	5,30,565	10,30,565
Charge For the Year	-	43,673	43,673
Disposals	-	-	-
At March 31, 2016	5,00,000	5,74,238	10,74,238
<b>Net Block</b>			
At March 31, 2015	-	46,389	46,389
At March 31, 2016	-	2,716	2,716



MICROSEC COMMERZE LIMITED

Corporate Identification No. (CIN) - U74140WB1994PLC066386

Shivam Chambers, 1st Floor, 53, Syed Amir Ali Avenue

Kolkata-700019



Notes to Financial Statements as at and for the year ended 31st March, 2016

9: DEFERRED TAX ASSET

Deferred Tax Assets

Fixed Asset : Impact of difference between tax depreciation and depreciation / ammortisation charged for the financial reporting (adjusted through statement of Profit & Loss).

Difference between WDV of fixed assets as per books of account and for tax purposes (adjusted through General Reserve)

	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
	-	27,844
	-	11,057
	-	38,901
	-	38,901

Deferred Tax Assets

	No./Units	Face Value Per Share / Unit Rs.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
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10: NON-CURRENT INVESTMENTS

Unquoted (Fully Paid)

In Limited Liability Partnership

Microsec Invictus Advisors LLP - Capital Account

61,58,851 4,53,08,360

In Fellow Subsidiary Company

Microsec Health Buddy Limited

8,19,672

10

4,99,99,992

-

5,61,58,843 4,53,08,360

Deep Discount Debentures

Microsec Resources Private Limited (Series I)	500	200,000	53,45,900	53,45,900
Microsec Resources Private Limited (Series II)	1,000	75,000	1,00,00,000	1,00,00,000
Microsec Resources Private Limited (Series III)	1,000	75,000	1,00,00,000	1,00,00,000
			2,53,45,900	2,53,45,900
			8,15,04,743	7,06,54,260

Total Investments

Aggregate amount of Non Current Investment

Unquoted

8,15,04,743

7,06,54,260

8,15,04,743 7,06,54,260

Details of Investments in Limited Liability Partnership

Microsec Invictus Advisors LLP

Name of the partners in Limited Liability Partnership	Weighted Average Capital Rs.		Share in Profit / Loss % of holding	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
PRP Technologies Limited	90,17,650	3,72,03,247	15.13%	34.92%
Microsec Commerze Limited	1,80,18,743	4,21,43,872	30.22%	39.56%
Microsec Capital Limited	3,25,77,191	2,71,93,984	54.65%	25.52%

\* As per supplementary LLP agreement dated 23rd December, 2013 Profit / (Loss) in the event where capital contribution is not as per the profit sharing ratio of 34:33:33, then the profit shall be shared on the basis of weighted average capital contribution by the partners of the LLP during the year / period.





**MICROSEC COMMERZE LIMITED**

Corporate Identification No. (CIN) - U74140WB1994PLC066386

Shivam Chambers, 1st Floor, 53, Syed Amir Ali Avenue

**Kolkata-700019**



Notes to Financial Statements as at and for the year ended 31st March, 2016

**11: LOANS AND ADVANCES**

(Unsecured, Considered good)

	Non Current		Current	
	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
Deposits with Government Authorities	-	-	2,962	28,601
Deposits with Commodity Exchanges and Others	23,30,000	72,78,500	67,50,000	70,00,000
Gratuity [Refer Note 23]	-	-	-	17,037
Advances Recoverable in cash or in kind	-	-	1,62,165	48,357
Prepaid Expense	-	-	76,018	1,84,933
Advance Income Tax and Tax Deducted at source [net of provision Rs.. 99,33,545 (1,14,32,381)]	-	-	15,25,585	18,55,333
	<b>23,30,000</b>	<b>72,78,500</b>	<b>85,16,730</b>	<b>91,34,261</b>

**12: OTHER CURRENT ASSETS**

	Non Current		Current	
	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
Non Current Bank Balances [Refer Note 14]	-	15,00,000	-	-
Accrued Interest on Fixed Deposits	-	1,64,915	4,91,189	18,90,062
	<b>-</b>	<b>16,64,915</b>	<b>4,91,189</b>	<b>18,90,062</b>

**13: TRADE RECEIVABLES**

(Considered good, unless otherwise stated)

Outstanding for a period exceeding six months from the date they become due for payment

- Secured	-	-
- Unsecured	14,050	32,028

Other Receivables

- Secured	-	48,707
- Unsecured	1,86,653	699
	<b>2,00,703</b>	<b>81,434</b>

**14: CASH AND BANK BALANCES**

	Non Current		Current	
	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.	As at 31.03.2016 Rs.	As at 31.03.2015 Rs.
Cash and Cash Equivalents				
Cash on hand	-	-	8,384	16,072
Balances with Scheduled Banks				
- On Current Accounts	-	-	49,85,145	1,83,258
	-	-	49,93,529	1,99,330
Other Bank Balances [Refer Note 21]				
- Fixed Deposits with original maturity for more than 12 months	-	15,00,000	1,02,50,000	1,00,00,000
Amount disclosed under non current assets [Refer Note 12]	-	(15,00,000)	-	-
	-	-	1,02,50,000	1,00,00,000
	<b>-</b>	<b>-</b>	<b>1,52,43,529</b>	<b>1,01,99,330</b>



MICROSEC COMMERZE LIMITED

Corporate Identification No. (CIN) - U74140WB1994PLC066386

Shivam Chambers, 1st Floor, 53, Syed Amir Ali Avenue

Kolkata-700019



Notes to Financial Statements as at and for the year ended 31st March, 2016

	2015-16	2014-15
	Rs.	Rs.
<b>15: REVENUE FROM OPERATIONS</b>		
(a) Sale of Services		
- Brokerage and Related income	38,70,310	58,79,801
(b) Other Operating Income		
- Penal Charges Collected from Clients	4,065	7,007
- Professional Fees	1,50,000	-
- on Fixed Deposits lying with Commodity Exchange	4,13,144	30,85,177
	<b>44,37,519</b>	<b>89,71,985</b>
<b>16: OTHER INCOME</b>		
(a) Interest Income		
- on Fixed Deposits other than lying with Commodity Exchange	8,36,709	10,01,285
- on Income Tax Refund	18,338	-
(b) Share of Profit from Microsec Invictus Advisors LLP	48,50,491	65,76,816
(c) Other Non Operating Income		
- Liabilities no longer required written back	1,125	5,175
- Profit on sale of Fixed Asset	56,509	-
- Miscellaneous Income	4,692	-
	<b>57,67,864</b>	<b>75,83,276</b>
<b>17: EMPLOYEE BENEFIT EXPENSES</b>		
Salary, Bonus etc.	26,72,965	39,12,381
Contribution to Employee's State Insurance	36,049	68,176
Contribution to Employee's Provident Fund	97,633	71,504
Gratuity [Refer note 23]	96,040	56,301
Staff Welfare Expenses	43,530	63,498
	<b>29,46,217</b>	<b>41,71,860</b>
<b>18: FINANCE COSTS</b>		
Interest Expense		
- On Working Capital Facilities	20,987	43,497
- Margin from Clients	1,797	18,82,449
	<b>22,784</b>	<b>19,25,946</b>
<b>19: DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation of Tangible Assets	51,295	1,61,956
Amortization of Intangible Assets	43,673	75,763
	<b>94,968</b>	<b>2,37,719</b>
<b>20: OTHER EXPENSES</b>		
Communication expenses	3,55,166	3,68,939
Commodity Exchange charges	53,268	23,529
Commission to Authorised Person	9,43,285	23,63,597
Insurance Premium	14,287	14,918
Irrecoverable Debts written off	-	61,230
Legal and Professional Fees	1,55,430	2,87,998
Membership Fees and Subscription	4,75,000	1,50,000
Penalty Charges	1,07,522	-
Postage and Courier Expenses	-	13,890
Printing and stationery	12,939	10,822
Repairs and Maintenance - Others	612	2,27,932
Rates and Taxes	6,960	7,899
Service Charges		
- Market Research and Analysis services	3,200	2,800
- Facility Services etc.	-	37,500
Software Maintenance charges	3,23,310	5,05,810
Auditor's Remuneration		
- As Audit Fees	25,000	25,000
Travelling and Conveyance	33,435	64,317
Miscellaneous Expenses	1,00,074	66,220
	<b>26,09,488</b>	<b>42,32,401</b>
<b>21: EARNING PER SHARE (EPS)</b>		
Basis for calculation of Basic and Diluted Earnings Per Share is as under:		
Profit after tax	43,93,475	60,38,269.00
Weighted Average Number of Equity Shares (Nos)	16,02,950	16,02,950.00
Nominal Value of each Equity Share (Rs.)	10	10.00
Basic and Diluted Earnings Per Share (Rs.)	2.74	3.77





**Notes to Financials Statements as at and for the year ended 31st March, 2016**

21 Fixed Deposits with banks aggregating to Rs. 1,02,50,000 (Rs. 1,15,00,000) are pledged as follows :

Pledged with	(Amount in Rs.)	
	As at 31.03.2016	As at 31.03.2015
HDFC Bank Ltd. (As Security against Credit facilities)	80,00,000	1,00,00,000
National Commodity and Derivatives Exchange Limited	15,00,000	15,00,000
Multi Commodity Exchange of India Limited	7,50,000	-
<b>Total</b>	<b>1,02,50,000</b>	<b>1,15,00,000</b>

22 The Company has invested in deep discount debentures issued by fellow subsidiary company. Income from deep discount debentures will be accounted for either on maturity or when the right to receive established.

**23 Employee Benefits**

The Company has a defined employee benefit plan in the form of gratuity. Every employee, who has completed five years or more of services, gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The gratuity scheme is entrusted with Life Insurance Corporation of India.

The following tables summaries the components of net benefit /expenses recognised in the Statement of Profit & Loss and the funded status and amounts recognized in the balance sheet for the plan.

Particulars		2015-16 (Rs.)	2014-15 (Rs.)
(i)	Net Employee Expense /(benefit)		
	Current service cost	52,664	78,359
	Interest cost on benefit obligation	28,355	29,798
	Expected return on plan assets	(38,875)	(40,124)
	Net Actuarial (gain) /loss recognised for the year	53,896	(11,732)
	Total employer expense recognised in Statement of Profit and Loss	96,040	56,301
(ii)	Actual return on plan assets	32,859	40,124
(iii)	Benefit Asset/(Liability)		
	Defined benefit obligation	3,68,881	4,68,904
	Fair value of Plan Assets	2,89,878	4,85,941
	Benefit Asset/(Liability)	(79,003)	17,037
(iv)	Movement in benefit liability		
	Opening defined benefit obligation	4,68,904	3,72,479
	Interest cost	28,355	29,798
	Current service cost	52,664	78,359
	Benefits paid	2,28,922	-
	Actuarial (gains)/losses on obligation	47,880	(11,732)
	Closing benefit obligation	3,68,881	4,68,904
(v)	Movement in fair value of plan assets		
	Opening fair value of plan assets	4,85,941	4,45,817
	Expected Return on plan assets	38,875	40,124
	Contribution by employer	-	-
	Benefits paid	2,28,922	-
	Actuarial gains/(losses) on plan assets	(6,016)	-
	Closing fair value of plan assets	2,89,878	4,85,941
(vi)	Major categories of plan assets as a percentage of the fair value of total plan assets		
	Investments with insurer	100%	100%

**Notes to Financials Statements as at and for the year ended 31st March, 2016**

Particulars		2015-16 (Rs.)	2014-15 (Rs.)			
(vii)	The principal actuarial assumptions are as follows					
	Discount rate	8%	8%			
	Salary increase	6%	6%			
	Withdrawal rates	1%	1%			
(viii)	Amount incurred as expense for Defined Contribution plans					
	Contribution to Employees State Insurance	Rs. 36,049	Rs. 68,176			
	Contribution to Employees Provident Fund	Rs. 97,633	Rs. 71,504			
(ix)	The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factor, such as supply and demand in the employment market.					
(x)	The Overall Exempted rate of return is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled.					
(xi)	Amounts for the current year are as follows :					
		2015-16 (Rs.)	2014-15 (Rs.)	2013-14 (Rs.)	2012-13 (Rs.)	2011-12 (Rs.)
	Gratuity					
	Defined Benefit Obligation	3,68,881	4,68,904	3,72,479	4,61,670	3,58,708
	Plan Assets	2,89,878	4,85,941	4,45,817	4,09,047	3,75,581
	Surplus / ( Deficit )	(79,003)	17,037	73,338	(52,623)	16,876
	Experience adjustments on plan liabilities	47,880	(99,784)	(56,093)	(69,380)	(53,906)
	Experience adjustments on plan assets	(1,156)	(1,116)	3,727	2,739	2,515
(xii)	The Company expects to contribute Rs. Nil (Rs. Nil) to Gratuity Fund in 2015-16.					

**24 Related Party Disclosures :**

As per Accounting Standard 18, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below

**(a) Name of the related parties and description of their relationship**

**Related Parties where control exists**

**Holding Companies**

Microsec Capital Limited

Microsec Financial Services Limited (Ultimate Holding Company)

**Fellow Subsidiary Companies/Limited Liability Partnership (LLP)**

Microsec Insurance Brokers Limited

Microsec Resources Private Limited

Microsec Health Buddy Limited

Microsec Invictus Advisors LLP





**(b) STATEMENT OF AGGREGATED RELATED PARTY TRANSACTIONS AS AT 31ST MARCH, 2016**

Particulars	Holding Company	Fellow Subsidiary Companies/Limited Liability Partnership	Key Management Personnel	TOTAL
<b>Share of Profit from Limited Liability Partnership</b>				
Microsec Invictus Advisors LLP	-	48,50,491	-	48,50,491
	(-)	(65,76,816)	(-)	(65,76,816)
<b>Service Charges paid</b>				
Microsec Capital Limited	960	-	-	960
	(955)	(-)	(-)	(955)
<b>Redemption from Investment in Limited Liability Partnership</b>				
Microsec Invictus Advisors LLP	-	4,40,00,000	-	4,40,00,000
	(-)	(40,00,000)	(-)	(40,00,000)
<b>Investment in Equity Shares of Fellow Subsidiary Company</b>				
Microsec Health Buddy Limited	-	4,99,99,992	-	4,99,99,992
	(-)	(-)	(-)	-



25. Segment Reporting for MFSL Consolidation as on 31.03.2016  
Microsec Commerze Limited



(Amount in Rs.)

Particulars	Commodity, Broking & Related Services	Consultancy & Investment Divison	Total
Segment Revenue	42,87,519	50,00,491	92,88,010
	(89,71,985)	(65,76,816)	(1,55,48,801)
Segment Expenses	51,49,830	4,75,770	56,25,600
	(1,00,83,546)	(4,84,380)	(1,05,67,926)
Segment Result	(8,62,311)	45,24,721	36,62,410
	(-11,11,561)	(60,92,436)	(49,80,875)
Unallocated Income Net of unallocated Expnses			8,69,516
			(10,06,460)
Profit Before Tax			45,31,926
			(59,87,335)
Provision for			
- Current Tax (Including for previous years)			99,550
			-
- Deferred Tax			38,901
			(-50,934)
Profit after tax			43,93,475
			(60,38,269)
Segment Assets	1,69,58,985	8,16,93,142	9,86,52,127
	(1,85,44,169)	(7,06,72,417)	(8,92,16,586)
Unallocated Assets			97,05,466
			(1,18,94,234)
Total Assets			10,83,57,592
			(10,11,10,820)
Segment Liabilities	78,83,450	71,736	79,55,186
	(50,53,186)	(63,703)	(51,16,889)
Unallocated Liabilities			40,000
			(25,000)
Total			79,95,186
			(51,41,889)

NOTES:

i) Business Segment: - The business segment has been identified on the basis of the services of the company. Accordingly, the Company has identified "Consultancy & Investment" and "Commodity, Broking & Relaed Services" as the business segments.

ii) Geographical Segment: - The Company operates in only one geographical segment i.e. 'within India' and hence no separate information for geographical segment has been given.





**Notes to Financials Statements as at and for the year ended 31st March, 2016**

25 The Board of Directors of the Company have approved the demerger of the Consultancy and Investment Undertaking of the Company into PRP Technologies Limited (Resulting Company) w.e.f. the appointed date April 01, 2016 subject to the approvals to be obtained from members, creditors and Hon'ble Calcutta High Court besides other regulatory authorities.

26 Previous Year's figure have been regrouped / reclassified, wherever necessary, to confirm to this year's classification.

As per our report of even date

**For Maroti & Associates**  
**Firm registration number: 322770E**  
**Chartered Accountants**

**For and on behalf of the Board of Directors**

*Surana*



**Komal Surana**  
**Partner**  
**Membership No. 303583**

*B. L. Mittal*  
*Ricshaml*

**B. L. Mittal**  
**Director**  
**DIN:00365809**

**Ravi Kant Sharma**  
**Director**  
**DIN:00364066**

**Place : Kolkata**  
**Date: 21st May, 2016**