

Siel Financial Services Limited



Refer: SFSL/BSE/

November 12, 2016

BSE Limited
P.J. Towers,
Dalal Street
Fort, Mumbai - 400001

Sub : Unaudited Quarterly Financial Results for the quarter ended on 30.09.2016

Dear Sir,

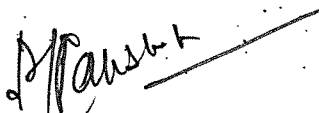
In terms of the Regulation 33(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Unaudited Quarterly Financial Results of the Company for the quarter ended on 30.09.2016 along with the Limited Review Report.

These have been taken on record by the Board of Directors in their meeting held today.

These results are being published in the newspapers.

Thanking you,

Yours faithfully,


(MADHU VRAT KAUSHIK)
DIRECTOR
DIN-07297518

Encl: as above.

A Subsidiary of MAWANA SUGARS LIMITED

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TELEPHONE : 91-11-25739103 FAX : 91-11-25743659
REGD. OFFICE : SONI MANSION, 12-B, RATLAM KOTHI, INDORE - 452 001 (M.P.)

CIN: L65999MP1990PLC007674

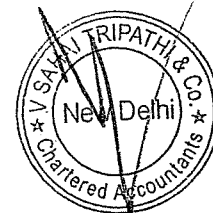
Siel Financial Services Limited

Regd. Office : Soni Mansion, 12-B, Ratlam Kothi, Indore - 452001(M.P.)

Statement of Unaudited Results for the Quarter and 6 Months on 30.09.2016

Rs in Lacs

	Particulars	Unaudited				Audited
		Quarter Ended		Half Yearly		Year Ended
		September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
	1	2	3	4	5	6
Part-I						
1	Income from Operations					
	a) Net Income from Operations	-	-	-	-	-
	b) Other Operating Income*	-	-	-	-	-
	Total Income 1(a) + (b)	-	-	-	-	-
2	Expenditure					
	(a) Cost of materials consumed	-	-	-	-	-
	(b) Purchases of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
	(d) Employee benefits expense	-	-	-	-	-
	(e) Depreciation and amortisation expense	-	-	-	-	-
	f) Other expenditure	3.26	20.08	2.31	23.34	6.13
	Total Expenditure (a+b+c+d+e+f)	3.26	20.08	2.31	23.34	6.13
3	Profit/ (Loss) from operations before other income, finance costs and exceptional items (1-2)	(3.26)	(20.08)	(2.31)	(23.34)	(6.13)
4	Other Income**	0.94	69.52	(0.14)	70.46	0.04
5	Profit/ (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(2.32)	49.44	(2.45)	47.12	(6.09)
6	Finance costs	-	-	-	-	-
7	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)	(2.32)	49.44	(2.45)	47.12	(6.09)
8	Exceptional Items	-	-	-	-	-
9	Profit/ (Loss) from ordinary activities before tax	(2.32)	49.44	(2.45)	47.12	(6.09)
10	Tax expenses					
	- Current Tax	(0.28)	12.47	-	12.19	-
	- Less minimum Alternative Tax Credit	-	-	-	-	-
	- Deffered Tax Charge / (Credit)	-	-	-	-	-
	- Tax Adjustment for earlier Years	-	-	-	-	-
11	Net Profit / (Loss) from ordinary activities after tax (9 + 10)	(2.04)	36.97	(2.45)	34.93	(6.09)
12	Extraordinary items (net of tax expense Rs. NIL Lakhs)	-	-	-	-	-
13	Net Profit / (Loss) for the period (11 + 12)	(2.04)	36.97	(2.45)	34.93	(6.09)
14	Share of profit / (loss) of associates*	-	-	-	-	-
15	Minority interest *	-	-	-	-	-
16	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 + 14 + 15) *	(2.04)	36.97	(2.45)	34.93	(6.09)
17	Paid-up Equity Share Capital (Face value of Rs.10/- each)	1,132.30	1,132.30	1,132.30	1,132.30	1,132.30
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-
19	(i) Earning Per Share ((before extraordinary items) (of Rs. 10/- each) (not annualised):					
	(a) Basic	0.08	0.23	(0.12)	0.31	(0.25)
	(b) Diluted	0.08	0.23	(0.12)	0.31	(0.25)
	(ii) Earnings per share (after extraordinary items) (of Rs. 10/- each) (not annualised):					
	(a) Basic	0.08	0.23	(0.12)	0.18	(0.25)
	(b) Diluted	0.08	0.23	(0.12)	0.18	(0.25)



Notes:

- 1 The above results were taken on record by the Board at its meeting held on 12.11.2016.
- 2 The Company's business activity falls within a single, primary business segment "Financing Operations viz, inter corporate deposits and investments", hence the disclosure requirements of Accounting Standard (AS 17) "Segment Reporting" issued by the Institute of Chartered Accountants of India are not applicable.
- 3 The above results should be read together with the observations of the Auditors in their Report to the accounts for the year ended 31st March, 2016.
- 4 Deferred tax asset has not been recognised under Accounting Standard (AS 22) "Accounting for Taxes on Income" due to non-existence of virtual certainty that sufficient taxable income would be available in future against which deferred tax asset can be realised.
- 5 Figures for the previous corresponding period have been regrouped wherever necessary.

Place : New Delhi

Date: 12.11.2016



Madhu Vrat Kaushik
Madhu Vrat Kaushik
DIN : 07297518

ML

Siel Financial Services Limited
 Regd. Office : Soni Mansion, 12-B, Ratlam Kothi, Indore - 452001(M.P.)

Statement of Assets and Liabilities as on 30th September 2016

(Rs. in Lacs)

	Particulars	Audited	
		As at September 30, 2016	As at March 31, 2016
		1	2
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
(a)	Share capital	1,132.30	1,862.30
(b)	Reserves and surplus	(1,583.63)	(2,239.06)
	Sub-total - Shareholders' funds	(451.33)	(376.76)
2	Non-current liabilities		
(a)	Long-term borrowings	365.88	365.88
	Sub-toal - Non-current liabilities	365.88	365.88
3	Current liabilities		
(a)	Short-term borrowings	157.00	157.00
(b)	Other current liabilities	3.04	0.86
(c)	Short-term provisions	12.19	-
	Sub-total - Current liabilities	172.23	157.86
	TOTAL - EQUITY AND LIABILITIES	86.78	146.99
B	ASSETS		
1	Non-current assets		
(a)	Fixed assets	-	-
(b)	Non-current investments	-	-
(c)	Long-term loans and advances	12.80	141.92
	Sub-total - Non-current assets	12.80	141.92
2	Current assets		
(a)	Inventories	0.18	0.18
(c)	Cash and bank balance	71.55	4.89
(d)	Short -term loans and advances	1.40	-
(e)	Other current assets	0.85	-
	Sub-total Current assets	73.98	5.07
	TOTAL - ASSETS	86.78	146.99



V SAHAI TRIPATHI & CO
CHARTERED ACCOUNTANTS

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LIMITED REVIEW REPORT

Board of Directors,
SIEL Financial Services Ltd.,

Dear Sir,

1. We have reviewed the accompanying statement of un-audited financial results of *Siel Financial Services Limited*, having its registered office at Soni Mansion, 12-B, Ratlam Kothi, Indore-452001 (M.P) for the quarter ended 30th September, 2016 except for the disclosures regarding 'Public Shareholding' which have been traced from disclosures made by management and have not been audited by us. This statement is the responsibility of the company's management and has been taken on record by the Board of Directors at their meeting held on 12th November, 2016. Our responsibility is to issue a report on these financial statements based on our review.
2. A review of interim financial information consists principally of applying analytical procedures for financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope and assurance than an audit conducted in accordance with the generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We conducted our review in accordance with the Standard on Review Engagement (ISRE) 2400 on **Engagement to Review Financial Statements** issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
4. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
5. During the quarter ended 30th September, 2016, the company redeemed 5% Cumulative Preference shares of Rs. 7,30,00,000 after settlement with Preference Shareholder(s). There is only One Preference Shareholder which is Corporate Entity which has been issued 5% Redeemable Cumulative Preference shares of Rs. 7,30,00,000. In the board meeting of Directors of Preference Shareholder Company held on 15th July, 2016, Preference Shareholder Company agreed for full and final settlement at Rs 1,09,50,000 and Rs. 6,20,50,000 were waived by Preference Shareholder. Preference Shareholder also waived the Arrears of Cumulative Preference Dividend of Rs. 6,64,70,000. Company has paid Rs. 1,09,50,000 to Preference Shareholder and transferred Rs 6,20,50,000 to Capital Reserve. As per



section 55 of Companies Act, 2013, such preference shares shall be redeemed either out of profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of redemption. Neither, the company has created Capital Redemption reserve due to insufficient profits, required for the redemption of 5% Cumulative Redeemable Preference shares of Rs. 7,30,00,000 nor issues any fresh equity or preference shares. In view of above, there is a contravention of Section 55 of the Companies Act, 2013.

Subject to aforesaid observations and its consequential effects which are not ascertainable as on date and subject to qualified report along-with audit qualifications and consequential effects thereto not considered by the company as referred in point no. 6 below, nothing has come to our notice that causes us to believe that the accompanying statement of un-audited financial results prepared in accordance with accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed or that it contains any material misstatement.

6. MAJOR AUDIT OBSERVATIONS AS ON 31ST MARCH, 2016 WHICH NEED TO BE READ WITH THIS REPORT

- (a) **5% Cumulative Redeemable Preference Shares**
The 5% Cumulative Redeemable Preference Shares of Rs 7,30,00,000/- were due for redemption on 12th January, 2007. As per Section 55 of the Companies Act, 2013 (in read with Section 80 of the earlier applicable Companies Act, 1956), as applicable, such preference shares shall be redeemed either out of profits of the company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption. The Company has yet not created Capital Redemption Reserve due to insufficient profits, required for the redemption of 5% Cumulative Redeemable Preference Shares of Rs 7,30,00,000/- on 12th January, 2007 nor it redeemed the same by issuing fresh capital as per applicable new promulgated Section 55 of the Companies Act, 2013 (in read with Section 80 of the earlier applicable Companies Act, 1956).
- (b) Non-payment of Cumulative Preference Dividend of Rs. 6,64,70,000/-.
- (c) (i) The Company is not carrying on any business from considerable time due to paucity of funds. The operations of the Company are restricted to realization of debtors or advances. Besides, the Company has invested its surplus deposits with banks which are yielding interest income. There is no employee in the company.
- (ii) Reserve Bank of India has already rejected the Non Banking Financial Companies (NBFC) License and is Company accordingly is not allowed to carry Non Banking Financial Business; and
- (iii) The Company incurred a net loss of Rs. 4,96,393/- for the year ended 31st March, 2016 (Previous year Rs. 3,58,693/-) and accumulated loss as on 31st



March, 2016 stands to Rs. 22,39,05,611/- (Previous year Rs. 22,34,09,218/-). As on 31st March, 2016, the Company's current liabilities exceeded its current assets by Rs. 1,52,79,976/- (Previous year Rs. 1,48,02,721/-) and its total liabilities exceeded to its total assets by Rs. 3,76,75,716/- (Previous year Rs. 3,71,79,323/-). In view of these, the Company had been reporting negative operating cash flows for few years which have also contributed to constraints of working capital. These conditions have resulted into acute working capital deficit & have casted material uncertainty on functioning of Company.

As stated by the management the accounts of the company have been prepared on a "going concern" basis on an assumption & premises made by the management that adequate finances and opportunities would be available in the foreseeable future to enable the company to start operating on a profitable basis. In view of the above, the accounts of the Company have been prepared on a going concern basis.

Appropriateness of the "going concern basis" is dependent on the ability of the company to generate adequate finances to meet its obligations and to operate profitably which in our opinion after considering aforesaid factors indicate material uncertainty which further raises significant and substantial doubt on the ability of the Company to continue as a going concern and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. If the Company is treated not to be a going concern, then the valuation of assets has to be not merely on the basis of historical cost less depreciation or impairment but at a value which the assets would fetch, if the same are lower than the value presently shown. The Company has not attempted to assess the realizable value of the assets and therefore financial results for the year ended 31st March, 2016 have been prepared on a going concern basis and do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to amounts or classification of liabilities that may be necessary if the Company is unable to continue as a going concern.



For V Sahai Tripathi & Co.
Chartered Accountants
Firm's Registration Number: 000262

(Manish Mohan)

Partner

Membership No.91607

Place: New Delhi
Dated: 12-Nov-2016