

ALACRITY HOUSING LIMITED

Annual Report—2010



Home is Key.



ALACRITY

Board of Directors

AMOL KARNAD Chairman

ASHOK KARNAD Director

AJIT HATTIKUDUR Director

Auditor

R. Vathsangam, Partner, Chaturvedi and Partners, Chartered Accountants, Chennai

Registered Office

‘Atandra’, 25 Thirumalai Road, T.Nagar, Chennai 600 017. Tel: 044 3912 2145

Fax: 044 2834 4172

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NOTICE

ALACRITY HOUSING LIMITED 25 Thirumalai Road, T.Nagar, Chennai: 600 017.

NOTICE is hereby given that the EIGHTEENTH ANNUAL GENERAL MEETING of the Members of M/s. ALACRITY HOUSING LTD., will be held on Tuesday, 11th January 2011 at 11.00 a.m at P. S. N. Mahal, I Floor, No.55, Dargah Road, Zamin Pallavaram, Chennai-600 043 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2010 together with the Profit and Loss account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ashok Karnad, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To appoint auditors and to fix their remuneration in this connection to consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution.

“RESOLVED to appoint Mr. R. Vathsangam, Chartered Accountant, Chennai, as Auditor of the Company to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting at a remuneration of ₹ 50,000/- plus service tax as applicable.”

4. To approve delisting of shares from the Madras Stock Exchange Ltd and if thought fit to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 (including any Statutory Modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution), consent be and is hereby accorded to the Board to delist the Company’s shares from the Madras Stock Exchange Ltd without giving an exit option to the Shareholders of the region where the aforesaid Stock Exchange is situated and on the terms and conditions as may be stipulated and mutually agreed to in the best interests of the Company and for that matter to approach the Stock Exchange and/or any other concerned authorities seeking its (their) approval for Voluntary Delisting of the Equity Shares from the said Stock Exchange.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage of Voluntary Delisting of Equity Shares as it may in its absolute discretion deem fit without being required to seek any further approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

NOTICE

5. To approve delisting of shares from the Coimbatore Stock Exchange Ltd and if though fit to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 (including any Statutory Modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution), consent be and is hereby accorded to the Board to delist the Company’s shares from the Coimbatore Stock Exchange Ltd without giving an exit option to the Shareholders of the region where the aforesaid Stock Exchange is situated and on the terms and conditions as may be stipulated and mutually agreed to in the best interests of the Company and for that matter to approach the Stock Exchange and/or any other concerned authorities seeking its (their) approval for Voluntary Delisting of the Equity Shares from the said Stock Exchange.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage of Voluntary Delisting of Equity Shares as it may in its absolute discretion deem fit without being required to seek any further approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

6. To approve delisting of shares from the Ahmedabad Stock Exchange Ltd and if though fit to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 (including any Statutory Modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution), consent be and is hereby accorded to the Board to delist the Company’s shares from the Ahmedabad Stock Exchange Ltd without giving an exit option to the Shareholders of the region where the aforesaid Stock Exchange is situated and on the terms and conditions as may be stipulated and mutually agreed to in the best interests of the Company and for that matter to approach the Stock Exchange and/or any other concerned authorities seeking its (their) approval for Voluntary Delisting of the Equity Shares from the said Stock Exchange.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage of Voluntary Delisting of Equity Shares as it may in its absolute discretion deem fit without being required to seek any further approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

NOTICE

7. To approve delisting of shares from the Hyderabad Stock Exchange Ltd and if though fit to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of the Companies Act, 1956 (including any Statutory Modification(s) or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution), consent be and is hereby accorded to the Board to delist the Company’s shares from the Hyderabad Stock Exchange Ltd without giving an exit option to the Shareholders of the region where the aforesaid Stock Exchange is situated and on the terms and conditions as may be stipulated and mutually agreed to in the best interests of the Company and for that matter to approach the Stock Exchange and/or any other concerned authorities seeking its (their) approval for Voluntary Delisting of the Equity Shares from the said Stock Exchange.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient or proper and to settle any questions, difficulties or doubts that may arise in this regard at any stage of Voluntary Delisting of Equity Shares as it may in its absolute discretion deem fit without being required to seek any further approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**For and on behalf of the Board
For Alacrity Housing Limited**

**Amol Karnad
CHAIRMAN**

**Place: Chennai,
Date: 30th September 2010**

- 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and to vote instead of himself/ herself and the proxy need not be a member of the company. A blank form of proxy is enclosed and if intended to be used, it should be returned duly completed at the registered office of the company not less than forty-eight hours before the scheduled time of the annual general meeting.*
2. Members/Proxies attending the meeting are requested to bring their copy of the Annual Report for reference at the meeting as also the attendance slip duly filled in for attending the meeting.
3. The Register of Members of the Company and Share Transfer Books will remain closed from 7th January 2011 to 11th January 2011 (both days inclusive)
4. All communications and correspondence including transfer of shares and change of address to be sent to the below mentioned address:

ATANDRA,
25,Thirumalai Pillai Road
T.Nagar, Chennai-600 017

**For and on behalf of the Board
For Alacrity Housing Limited**

**Place: Chennai,
Date: 30th September 2010**

**Amol Karnad
CHAIRMAN**

NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No.3

The Auditors of the Company M/s. Chaturvedi & Partners, Chartered Accountants, Chennai retire at the ensuing Annual General Meeting. Due to their other professional commitments, they have expressed their desire to not to be reappointed.

Hence, it is proposed to appoint Mr. R. Vathsangam, Chartered Accountant, Chennai as Auditor of the Company at the ensuing Annual General Meeting to hold such office until the conclusion of the next Annual General Meeting, at a remuneration of ₹ 50,000/- plus service tax as applicable.

Directors recommend the resolution for members' approval

None of the Directors are in any way concerned or interested in the Resolution.

Item Nos. 4, 5, 6 and 7

Your Company's shares are presently listed in the Madras, Bombay, Coimbatore, Hyderabad and Ahmedabad Stock Exchanges. It is now proposed to voluntarily delist the Company's shares from The Madras Stock Exchange, The Coimbatore Stock Exchange, The Ahmedabad Stock Exchange and The Hyderabad Stock Exchange. The proposed voluntary delisting of the Company's equity shares from the above said Stock Exchanges will not adversely affect the interests of any investors since nationwide online terminals are provided by the Bombay Stock Exchange, at which the Company's shares still continue to be listed. Further, the delisting will help saving considerable amount of expenditure and administrative compliances.

Moreover, over the past several years, due to general recessionary conditions in the economy, the real estate business saw difficult times and the Company's fortunes were greatly affected. During this period of financial difficulty, the Company had to stop its business of full fledged construction activities during 2003-04 and most of the employees left the services of the Company. The Company is at present unable to meet its financial obligations including listing fees payable to all the stock exchanges. Hence, the proposal to voluntarily delist the equity shares of the Company in the above said Stock Exchanges.

Directors recommend the Resolution for members' approval

None of the Directors is in any way concerned or interested in the Resolution.

**For and on behalf of the Board
For Alacrity Housing Limited**

**Place: Chennai,
Date: 30th September 2010**

**Amol Karnad
CHAIRMAN**

DIRECTORS' REPORT

We take pleasure in presenting this, our Eighteenth Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS

	2009-2010 (₹ Lacs)	2008-2009 (₹ Lacs)
Profit/ (Loss) before Depreciation and Tax	(15.98)	(8.37)
Less: Depreciation	0.51	0.56
Loss before Tax	(16.49)	(8.93)
Less: Provision for Tax including Deferred Tax	Nil	Nil
Loss after Tax	(16.49)	(8.93)
Add: Balance brought forward from previous year	(7320.70)	(7311.77)
Balance carried forward to Balance Sheet	(7337.19)	(7320.70)

The Directors in their report are required to state the material developments that have taken place in the business of the Company up to the date of the said Report. Accordingly, the material developments up to date of this Report are covered as appropriate in the following paragraphs.

The Present Situation:

With the limited organization it has, the Company has taken up a couple of small housing projects in association with another small developer, a new entrant in the field. The loss for the year is on account of the modest surplus from these projects not fully covering overheads, the costs of fulfilling pending compliances with statutory authorities and other legal costs and expenses which have had to be covered through unsecured loans.

The Company retains its belief that, sooner than later, with the support of like-minded investors who see the market value of the Alacrity brand, it can not only revive but also, in due course, scale up its operations towards regaining its earlier preeminent market standing.

Summary of the Loss position as at 31.3.2010:

The losses reflected in the audited accounts over 7 financial years, including cost overruns, provisions for customer refunds committed and claims against the Company on account of legal cases, accumulate to ₹ 8137.29 lacs which, based on events and activities of a particular year, is distributed across the 7 financial years respectively as follows:

Financial Year	Loss for the year (in lacs of ₹)
2003-04	2439.55
2004-05	770.53
2005-06	4796.92
2006-07	36.33
2007-08	68.54
2008-09	8.93
2009-10	16.49
Total	8137.29

DIRECTORS' REPORT

Corporate Governance:

The Company is presently handicapped due to the absence of a Company Secretary (the previous Company Secretary had resigned from the services of the Company in 2001-2002) and there being no staff in the Secretarial Department, it has not been possible to prepare the Corporate Governance and Management Analysis Reports required to be annexed to the Annual Report which shall be circulated to the members as soon as they are compiled.

PUBLIC DEPOSITS

Your Company has neither invited nor accepted any deposits from the Public.

LISTING

Your Company's shares are currently listed at Chennai, Mumbai, Coimbatore, Hyderabad and Ahmedabad Stock Exchanges. The Company is in arrears of the listing fees to the Stock Exchanges as detailed below. Trading of the Company's shares has been suspended on account of non-payment of listing fees as well as non-compliance of corporate governance as stipulated in Clause 49 of the Listing Agreement with the stock exchanges.

Name of Stock Exchange	Arrears in listing fees from financial year
Bombay Stock Exchange	2008-09
Madras Stock Exchange	2007-08
Hyderabad Stock Exchange	2004-05
Coimbatore Stock Exchange	2003-04
Ahmedabad Stock Exchange	2003-04

Your Company proposes to save procedure and expenses by voluntarily delisting the Company's shares from The Madras Stock Exchange, The Coimbatore Stock Exchange, The Ahmedabad Stock Exchange and The Hyderabad Stock Exchange while continuing listing in the Bombay Stock Exchange. Such delisting will not adversely affect the interests of any investors since nationwide online terminals are provided by the Bombay Stock Exchange.

DIRECTORS

Mr. Ashok Karnad, Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

SECRETARY

The Company Secretary's post in your Company is vacant.

AUDITOR'S REPORT

The observations made in the Auditor's Report and Notes on accounts are self-explanatory and do not require any