



MS SECURITIES LIMITED

Your Partner in Growth

24TH ANNUAL REPORT
2016-17



CORPORATE INFORMATION:

Board of Directors:

Mr. Manoj Kumar Saraf
Mr. Sanjeev Kumar Saraf
Mrs. Sangita Devi Saraf
Mr. Om Prakash Tiwary
Mrs. Kalindi Arun Sampat

(Managing Director)
(Non-Executive Promoter Director)
(Non-Executive Promoter Director)
(Independent Director)
(Independent Director)

Auditors:

M/s Subodh Goel & Co.
Chartered Accountants
202, Rani Plaza
Exhibition Road
Patna 800001

Registrar & Share Transfer Agent:

S. K. Infosolutions Pvt. Ltd.,
34/1A Sudhir Chatterjee Street,
Kolkata, West Bengal – 700006
TEL. NO.: 033-22194815, 22196797
FAX NO. : 033-22194815
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contact@skcinfo.com
Website : www.skcinfo.com

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NOTICE

NOTICE IS HEREBY GIVEN THAT the Twenty Fourth Annual General Meeting of the Members of the Company will be held at its Head Office at 32, Vaibhav Apartment, Budh Marg, Patna 800 001 on Tuesday, the 05th day of September, 2017 at 10.00 AM to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended on 31st March, 2017 and the Balance Sheet as at that date together with the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Ms. Sangita Devi Saraf (00922074) who retires by rotation and being eligible, offers herself for re-appointment.
3. To ratify the appointment of the current auditors, M/s Subodh Goel & Co., Chartered Accountants (Firm Registration No. 006103C), as the Statutory Auditors of the Company and to fix their remuneration for the Financial Year 2017-2018 and to pass the following resolution:

“RESOLVED THAT to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act 2013 read with the Companies (audit and auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof for the time being in force), M/s. Subodh Goel & Co., (Firm Reg. No. 006103C) Chartered Accountants, Patna, and his appointment be and is hereby ratified, to hold office till the conclusion of 27th AGM of the Company which will be held in the Calendar year 2019 (subject to ratification by the members at every AGM held after this AGM) at such remuneration as may be fixed by the Board of Directors”.

SPECIAL BUSINESS:

4. Appointment of Mrs. Neelam Asthana (DIN: 1767356) as an Independent Director of the Company;

To consider and if thought fit, to pass the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule IV to the Companies Act, 2013 Mrs. Neelam Asthana (DIN: 1767356) who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 is required to be appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term of five years, and whose office shall not be liable to retire by rotation



"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

To enable the Company to support this green initiative of the Government in full measure, Members who not registered/updated their e-mail addresses, so far, are requested to register their e-mail address via an e-mail to investor@mssl.co.in.

By Order of the Board

Place: Patna
Dated: 08/08/2017

Manoj Kumar Saraf
Managing Director
(DIN- 00175213)

NOTES:

1. A MEMBER, ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received by the Company not less than 48 hours before the time for holding the Meeting.
2. An explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business Item No. 4, 5 & 6 is annexed hereto and forms part of the notice.
3. The Share Transfer Book and the Register of Members of the Company will remain closed from 01/09/2017 to 04/09/2017 (both days inclusive).
4. Members are requested in their own interest:
 - a) To notify the Company about any change in address with correct Pin Code, mandate/bank details.
 - b) To quote correct Folio No in all correspondence with the Company to facilitate better service to the Members.
 - c) To furnish particulars of Share Certificate(s) and Distinctive No. of Shares held by them, if not already sent to the Company.
 - d) To make/change nomination in respect of their shareholdings
5. Members holding shares in multiple folios in identical names or joint names are requested to consolidate their shareholdings into one folio.



EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statements set out all material facts relating to the business mentioned under item Nos. 4, 5 and 6 of the accompanying Notice.

Item No. 1 : Appointment of Mrs. Neelam Asthana (DIN: 1767356) as an Independent Director of the Company;

The tenure of Mr. Om Prakash Tiwari, Independent director of the company has been completed. Mrs. Neelam Asthana (DIN: 1767356), being eligible and offering herself for appointment, is proposed to be appointed as an Independent Director for one consecutive term of 5 years. A notice has been received from a member proposing Mrs. Neelam Asthana, as a candidate for the office of Director of the Company. In the opinion of the Board, Mrs. Neelam Asthana, fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director.

In the opinion of the Board, Mrs. Neelam Asthana fulfills the conditions specified in the Act and except for the above mentioned shareholding; she is independent of the management. Copy of the draft letter for appointment of Mrs. Neelam Asthana as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Administrative Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mrs. Neelam Asthana, as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Neelam Asthana, as an Independent Director, for the approval by the shareholders of the Company.

Mrs. Neelam Asthana, does not hold any shares in the Company.

Except, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

By order of the Board of Directors
For **MS SECURITIES LIMITED**

Place: Patna
Dated: 08/08/2017

MANOJ KUMAR SARAF
Managing Director,
DIN- 00175213



Directors' Report

To,
The Members of **MS Securities Limited**

Dear Members,

Your Directors present their Twenty Fourth Annual Report and the Audited Financial Statements of your Company for the Financial Year ended on 31st March, 2017.

1. Financial Results

	(INR)	
	F.Y	F.Y
	<u>2016-17</u>	<u>2015-16</u>
Total Revenue	910683.82	849312.63
Total Expenses	1261342.29	1075057.63
Profit/(Loss) before tax	<u>(350658.47)</u>	<u>(225745.00)</u>
Tax Expenses:		
1:- Current Tax	-	-
2:- MAT Credit Entitlement	-	-
3:- Tax Liability for Earlier Years	-	47004.00
Profit available for appropriation	<u>(350658.47)</u>	<u>(227749.00)</u>
Transfer to Reserve Fund	-	-
Transfer to General Reserve	-	-
Basic Earnings per share (Rs)	(0.8)	(0.06)
Diluted Earnings per share (Rs)	(0.8)	(0.06)

2. Dividend:

The Board of Directors of your Company, in view of the loss incurred during the year under review, do not recommend any dividend on Equity Shares.

3. Transfer to Reserves:

Your Company has not transferred any amount to the General Reserve in view of the loss incurred during the year.

4. Operations of your Company:

Your Company is primarily engaged in the business of shares trading and investment. There was no change in the nature of business of your Company during the year under review.

5. Share Capital:

The Paid up Equity Share Capital of your Company was Rs. 4,17,19,000/- as on 31st March 2017. There was no rights issue, bonus issue or preferential issue etc. during the year.



Your Company has not issued any shares with differential voting rights, sweat equity shares nor has it granted any stock options during the year

6. Extract of Annual Return:

An extract of the Annual Return as provided under sub-section (3) of Section 92 of the Companies Act, 2013, in the prescribed Form MGT- 9 is annexed to this Report as Annexure A.

a) Number of Meetings of the Board:

During the year, 5 (Five) number of Board meetings were convened and held on 18.04.2016, 07/08/2016, 17.10.2016, 05.11.2016 and 23.01.2017.

b) Director's Responsibility Statement:

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Board of Directors of your Company hereby state and confirm that:

- I. in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made therefrom;
- II. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company for the financial year ended as at 31st March, 2017 and of the loss of your Company for the said period;
- III. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- IV. the directors have prepared the annual accounts on a going concern basis;
- V. the directors have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and are operating effectively; and
- VI. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. Particulars of Loans, Guarantees and Investments:

Your Company has not given any guarantees to anybody corporate or persons during the financial year under review. Information regarding Loans and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in **detail in the Financial Statements annexed to this Report.**

8. Related Party Transactions:

There were no related party transactions entered into by your Company during the financial year which attracted the provisions of Section 188 of the Companies Act, 2013 as all related party transactions that were entered into by your Company during the year were on an arm's length basis and were in the ordinary course of your Company's business. Hence there are no transactions which are required to be disclosed in Form AOC-2.

Your Directors draw attention of the members to **Note No. 5** to the financial statement which sets out related party disclosures.

**9. Material Changes and Commitments:**

There have been no material changes and commitments, affecting the financial position of your Company, which have occurred between the end of the financial year of your Company and the date of this Report.

10. Conservation of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo:

Your Company being engaged into share trading and investment activities, your Company did not carry out any manufacturing activities during the year under review and hence the Directors have nothing to Report on 'Conservation of Energy', 'Research & Development' and 'Technology Absorption' as required to be given under the provisions of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2015.

Further, there were no foreign exchange earnings and/or outgo during the year under review.

11. Deposits:

Your Company has not accepted any fixed deposits from the public/shareholders during the financial year 2016-17.

12. Subsidiaries & Associate Companies:

Your Company has 1 (One) Associate Company. The detail of shareholding of your Company in the Associate is as under:

No	Name of the Associate Company	Extent of Shareholding (%)
1	MS Online Broking Services Ltd.	47.03

Your Company does not have any subsidiary or joint venture companies.

13. Significant and Material Orders passed by the Regulators or Courts:

There were no significant and material orders passed by the Regulators and Courts or Tribunals during the year under review which would impact the going concern status of your Company and its future operations.

14. Risk Management Policy:

The Board has laid down procedures for assessing the risk and procedure to be followed for risk minimization, including identification therein of elements of risk which may threaten the existence of your Company. These are periodically reviewed to ensure that Management identifies and controls risk through a properly defined framework.

Your Company does not trade in derivatives, and therefore your Company has no risk exposure in derivatives.

15. Corporate Social Responsibility:

Your Company has not crossed the threshold limits as specified in Section 135 of the Companies Act, 2013. Hence, the provisions of Section 135 of the Companies Act, 2013 relating to CSR initiatives which need to be undertaken by a Company are not applicable to this Company.

16. Adequacy of Internal Financial Controls:

Internal financial controls with reference to the financial statements were adequate and operating effectively.



17. Board of Directors:

The Board of Directors of your Company consists of the following members:

- Mr. Manoj Kumar Saraf - (Managing Director)
- Mr. Sanjeev Kumar Saraf (Non-Executive Promoter Director)
- Mrs. Sangita Devi Saraf (Non-Executive Promoter Director)
- Mr. Om Prakash Tiwary (Independent Director)
- Mrs. Kalindi Arun Sampat (Independent Director)

In accordance with the provisions of section 162 of the Companies Act, 2013 and in terms of the Articles of Association of your Company, Mrs. Sangita Devi Saraf, Director, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The proposal regarding the re- appointment of Mrs. Sangita Devi Saraf as the Director of your Company is placed for your approval.

The Board of Directors of your Company recommends the above re-appointment.

18. Declaration by Independent Directors

The Independent Directors of the Company have submitted their Declaration of Independence, as required under the provisions of Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149(6).

19. Audit Committees:

The Audit committee has been reconstituted which consists of the following three directors.

No.	Name	Category	Position
1	Shri Manoj Kumar Saraf	Executive Director	Chairman
2	Shri Om Prakash Tiwary	Independent Director	Member
3	Smt. Kalindi Arun Sampat	Independent Director	Member

20. Presentation of Financial Results:

The financial results of your Company for the financial year ended on 31st March 2017 have been disclosed as per Schedule III to the Companies Act, 2013.

21. Statutory Disclosures:

Disclosure of particulars as required to be given under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are as follows:

- Your Company does not pay any remuneration or sitting fees for attending meetings of the Board of Directors, the Audit Committee and/or Nomination and Remuneration Committee to its Directors as a member thereof.
- Your Company did not have any employee whose particulars are required to be given by it under Rule 5(2) & 5(3) of the aforesaid Rules.

A Cash Flow Statement of your Company for the Financial Year 2016-2017 is attached to and forms part of the financial statements of your Company.



22. Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace:

Pursuant to the legislation "Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013" introduced by the Government of India, which came into effect from 9th December, 2013, your Company has framed a Policy on Prevention of Sexual Harassment at Workplace. There was no case reported during the year under review under the said policy.

23. Auditors:

a) Statutory Auditor:

The Board also recommends to ratify the appointment of M/s. Subodh Goel & Co. (Firm Reg. No.006103C), Chartered Accountants, Patna, as Statutory Auditors of the Company, to hold office from the conclusion of Annual General Meeting (AGM) to be held in 2017 until the conclusion of AGM of the Company to be held in the Calendar year 2020 at such remuneration as may be fixed by the Board of Directors".

The Statutory Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditor.

B) Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made thereunder, Your Company has appointed Mr. Vikram Kumar, a Practicing Company Secretary as Secretarial Auditors of Your Company. The Secretarial Audit Report for the year under review is self-explanatory and does not call for any further comments.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditor

The Secretarial Audit Report in Form MR-3 is annexed to this report as Annexure B.

24. Transfer of amount to Investors Education and Protection Fund

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there was no fund which was required to be transferred to investor education and protection Fund (IEPF).

25. Listing

Your Company's shares are listed on BSE under security code no. 531039 and CSE. The trading in your company's share have been suspended and your Company is taking active steps for revocation of its suspension from trading. The Listing fees to the Stock Exchanges for the year 2016-17 have not been paid as yet.

26. Vigil Mechanism

Your Company has a vigil (Whistle Blower) mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, your Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

Your Company has a Fraud Risk and Management (FRM) Policy to deal with instances of fraud and mismanagement, if any. The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person