

NAYSAA SECURITIES LIMITED

ANNUAL REPORT

2015-16



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Vikram Lodha (Whole Time Director)
Mr. Jayantilal Lodha (Director)
Mrs. Manju Lodha (Director)
Ms. Paras Shah (Independent Director)
Mr. Abhishek Shastri (Independent Director)
Mr. Bhavin Gala (Independent Director)

Company Secretary & Compliance Officer
Mr. Sudhir Singh

REGISTERED OFFICE

102/104, Shivam Chambers
S.V. Road,
Goregaon (West)
Mumbai - 400062
Tel : 022-26791802
Fax : 022-26760202
Email : naysaa@naysaasecurities.com
Website: www.naysaasecurities.com

AUDITORS

M/s. M.K. Singhal & Co.
Chartered Accountants
E-20, B-402,
Yogi Nagar,
Borivali (W)
Mumbai - 400091
Tel : 022-2833085
Email : singhalmanoj@hotmail.com

BANKERS

AXIS BANK
KOTAK BANK
HDFC BANK

REGISTRAR & TRANSFER AGENT

Big Share Services Pvt. Ltd.
E-2, Ansa Industrial Estate,
Saki Vihar Road, Sakinaka,
Andheri (East), Mumbai 400 072.

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NAYSAA SECURITIES LIMITED

Regd. Office: 102/104, Shivam Chambers, S. V. Road, Goregaon (W), Mumbai - 400062

CIN: U67120MH2007PLC175208, Web: www.naysaasecurities.com,

Email: naysaa@naysaasecurities.com, Tel: 022-2676 0404,

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the 9th Annual General Meeting of Naysaa Securities Limited will be held on Friday, the 30th day of September, 2016 at 10.00 A.M at the Registered office of the Company at 102/104, Shivam Chambers, S. V. Road, Goregaon (W), Mumbai - 400062 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Jayantilal Lodha having directors identification number 01773529, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the recommendation by the Audit Committee to Board of Directors, and pursuant to the resolution passed by the members in the AGM held on 17th September, 2014, the appointment of M/s. M. K. Singhal & Co. Chartered Accountants, Mumbai (FRN: 130361W) as auditor of Company to hold office till the conclusion of the AGM held in the calendar year 2019 be and is hereby ratified for financial year 2016-17 and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the said financial year."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions of the Companies Act, 1956 and applicable provisions of the rules, regulation and guidelines, in the matter of utilization of the proceeds arising out of the issue of equity shares allotted pursuant to the Prospectus dated 18th August, 2014, filed by the company with the Registrar of Companies, Mumbai, the deployment of Rs. 51 Lacs that was earmarked for expanding domestic operations and network of branches of the Company but could not utilized for that purpose due to unstable security market conditions and part of the same was utilized for working capital requirement and remaining part be utilized for working capital requirements of the Company as mentioned in the explanatory statement annexed hereto be and is hereby approved."

"RESOLVED FURTHER THAT pending utilization of the IPO proceeds be utilized towards meeting working capital requirements of the Company as mentioned above be and is hereby approved."

"RESOLVED FURTHER THAT the Board of Directors of the Company including any committee thereof be and is hereby authorized to do such acts, deeds, matters, and things as may be necessary, desirable or expedient for giving effect to this resolution."





BY ORDER OF THE BOARD
For NAYSAA SECURITIES LIMITED

PLACE: Mumbai
DATE: 23rd August, 2016

(Jayantilal Lodha)
CHAIRMAN.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A person can act as proxy on behalf of Member's not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the company carrying voting rights. Further, a Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
2. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice. Requisite declarations have been received from the Directors for his appointment/ reappointment.
4. The route map showing directions to reach the venue of the 9th AGM is annexed.
5. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM.
6. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Chairman, so as to reach the registered office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
7. Only registered members of the Company or any proxy appointed by such registered member may attend and vote at the Annual General Meeting as provided under the provisions of the Companies Act, 2013.
8. The Register of Members and the Share Transfer Books shall remain closed from Monday, 26th day of September, 2016 to Friday, 30th day of September, 2016 (both days inclusive) for the purpose of AGM.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Bigshare.
10. Electronic copy of the Annual Report for 2015-16 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for 2015-16 are being sent in the permitted mode. Members may further note that the said documents will also be available on the Company's website www.naysaasecurities.com for download. Physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days.
11. Members/ Proxies are requested to bring their duly filled Attendance Slips sent herewith at the meeting.
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

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13. Since the Company falls under the category of companies referred to in Chapter XB of SEBI (ICDR) Regulations, 2009 and pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 (2) the Companies (Management and Administration) Rules, 2014, the provisions of e-voting shall not apply to the Company.
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ANNEXURE TO NOTICE
EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 4:

The Members in the Extraordinary General Meeting held on 2nd June, 2014 had approved the Initial Public Offer (IPO) of equity shares of the Company. Pursuant to this approval and further approvals from all the concerned authorities, the Company has issued and allotted 10,00,000 Equity shares of Rs. 10/- each at a price of Rs. 15 each.

Now the Company intends to utilise the IPO funds for the purpose other than the purpose for which it was raised.

Further now, looking into the present market scenario the Board of Directors decided to drop the idea of utilizing the proceeds of this Issue for expanding domestic operations and network of branches as stated in the prospectus dated 18th August, 2014 and utilize it towards the under-mentioned activities:

| (Rs. In Lacs) | | | |
|---------------|---|---|---------------------------------------|
| Sr. No. | Particulars | Proposed utilizations of Issue Proceed as per Prospectus dated 18/08/2014 | Revised utilizations of Issue Proceed |
| 1. | Expanding our domestic operations and network of branches | 51.00 | 100.00 |
| 2. | Enhancement of margin money maintained with the exchanges | 50.00 | 10.00 |
| 3. | General corporate purposes | 9.00 | 17.73 |
| 4. | Public Issue Expenses | 40.00 | 22.27 |
| 5. | Working Capital | - | 0.00 |
| | Total | 150.00 | 150.00 |

Considering the existing growth rate, change in the demands of business needs and the proposed expansion, the total working capital needs of the Company further increased. As a result of which the Company will not be able to utilize the IPO proceeds as per the object stated in the prospectus of IPO of the Company. Under the present circumstances, your director's intend to use the said IPO proceeds for working capital of the Company.

As the IPO proceeds are intended to be used for the purpose other than the purpose which was it was raised, the consent of Shareholders of the Company is required to be obtained by passing Special Resolution.

Your Directors recommend the above resolution for your approval.

None of the Directors, Manager, Key Managerial Personnel of the Company and their relatives is concerned or interested in the above resolution.

BY ORDER OF THE BOARD
For NAYSAA SECURITIES LIMITED

PLACE: Mumbai
DATE: 23rd August, 2016

(Jayantlal Lodha)
CHAIRMAN.

ANNEXURE TO ITEMS 2 OF THE NOTICE
Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Additional information on directors recommended for appointment/re-appointment as required under Regulation 36 of the Listing Regulation.

| | |
|--|--|
| Name of Appointee | Jayantilal Lodha |
| Designation | Non - Executive Director |
| Age | 64 |
| Nationality | Indian |
| Date of Appointment on the Board | 19/10/2007 |
| Qualification | B. Sc |
| Nature of Expertise | Expertise in Market Research, Market Analysis. |
| Experience | Ten years of experience in Capital Market |
| *Directorships held in other companies | NIL |
| Chairmanship/Memberships of Committees# | NIL |
| Shareholding in the Company | 447000 |

Route map for the venue of the 9th AGM is as below:



DIRECTORS' REPORT TO THE MEMBERS

Dear Members,

Your Directors have pleasure in presenting their 9th Annual Report together with the Audited Accounts of the Company for the Year ended March 31, 2016.

FINANCIAL RESULTS:

| Particulars | Year ended 31 st March 2016 | Year ended 31 st March 2015 |
|---|---|---|
| Turnover | 47,918,161 | 25,762,522 |
| Profit/(Loss) before taxation | 347077 | 388396 |
| Less: Tax Expense | -163409 | -167537 |
| Profit/(Loss) after tax | 183668 | 220859 |
| Add: Balance B/F from the previous year | 15,764,062 | 10,559,168 |
| Balance Profit/ (Loss) C/F to the next year | 15,947,730 | 15,764,062 |

OPERATIONAL REVIEW:

The Company recorded a turnover of Rs. 47,918,161 during the year under review as against Rs. 25,762,522 in the previous year. The net profit after tax is Rs. 183668 as against a profit of Rs. 220859 in the previous year.

DIVIDEND:

Your Directors do not recommend any dividend for the year ended 31st March 2016 with a view to conserve the resources for future.

AMOUNT TRANSFER TO RESERVE:

Your Directors do not propose any amount to be transferred to the Reserves for the year ended 31st March 2016.

CORPORATE GOVERNANCE:

Since the equity share capital of the Company is listed exclusively on the SME Platform of BSE Limited, the requirement of corporate governance provisions specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of Listing Regulation is not applicable to the Company and hence, the Report on corporate Governance is not applicable to the company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report is annexed to this Report.

Particulars of the Company's Subsidiaries, Joint Ventures and Associate Company:

Company does not have any Subsidiaries, Joint Ventures or Associate Companies.

DEPOSITS:

Company has not accepted any deposits within the meaning of Section 73 of the companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

As a part of the effort to evaluate the effectiveness of the internal control systems, your Company's internal control system reviews all the control measures on periodic basis and recommends improvements, wherever appropriate. The Company has in place adequate internal control systems and procedures commensurate with

the size and nature of its business. These systems and procedures provide reasonable assurance of maintenance of proper accounting records, reliability of financial information, protection of resources and safeguarding of assets against unauthorized use. The management regularly reviews the internal control systems and procedures.

CORPORATE SOCIAL RESPONSIBILITY:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the 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 had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

DIRECTORS & KEY MANAGERIAL PERSONNEL:

In accordance with the provision of section 152(6) and article the Articles of Association of Company Mr. Jayantilal Lodha will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer himself for re-appointment. The Board recommends his reappointment.

Mr. Sudhir Singh was appointed as Company Secretary of the company w.e.f. 01/05/2015.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in section 149(6) of the Companies Act, 2013.

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164 of the Companies Act, 2013.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, the Board, based on recommendations of the Nomination and Remuneration Committee, has carried out an annual performance evaluation of its own performance and that of its statutory committee's viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment