

Annual Report
1998-99



ARIHANT CAPITAL MARKETS LIMITED

BOARD OF DIRECTORS

Shri Ashok Kumar Jain - Chairman

Shri Pramod Devpura

Shri Akhilesh Rathi

Shri Sunil Kumar Jain

AUDITORS

M/s. Kedar Agrawal & Company

Chartered Accountants

Manak Chowk

Ratlam 457001

BANKERS

Canara Bank

HDFC Bank Ltd

REGISTERED OFFICE

E/5, Ratlam Kothi Area

INDORE 452 001 [M.P.]

MUMBAI OFFICE

13 Timothy Building

S.S. Gaikwad Marg

MUMBAI 400 002

NOTICE

NOTICE is hereby given that the **8th Annual General Meeting** of the members of **ARIHANT CAPITAL MARKETS LIMITED** will be held as scheduled below :

DATE : 30th, SEPTEMBER 1999
TIME : 4:30 A.M.
VENUE : E-5, RATLAM KOTHI AREA
 4, AMIT APARTMENT
 INDORE - 452001

to transact the following business :

ORDINARY BUSINESS:

- 1 To, receive, consider, approve and adopt Audited Statement of Accounts for the year ended 31st March, 1999 and to adopt the reports of the Directors and Auditors thereon.
- 2 To appoint a Director in place of Mr. Ashok Kumar Jain who retires by rotation and being eligible, offers himself for reappointment.
- 3 To appoint a Director in place of Mr. Pramod Kumar Devpura who retires by rotation and being eligible, offers himself for reappointment.
- 4 To appoint auditors and to fix their remuneration .

On Behalf Of The Board

PLACE : INDORE
DATED : 31/05/1999.

A.K.JAIN
 (CHAIRMAN)

NOTE

- 1 A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote at the meeting instead of himself and the proxy need not to 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 meeting.
- 2 The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday 15th September 1999 to Thursday 30th September 1999 (both days inclusive).
- 3 Members seeking any information are requested to write to the Company atleast 10 days in advance so as to enable the Company to keep the information ready.
- 4 Members are requested to notify to the Company immediately any change in their address.
- 5 The members/ proxies should bring the attendance slip duly filled in and signed for attending the meeting.

INFORMATION PURSUANT TO CLAUSE 31 OF THE LISTING AGREEMENT

- I The Equity Share of the Company have been listed at the following Stock Exchanges :
 - a M.P. Stock Exchange
Rajani Bhawan,
Indore - 452 001 (M.P.)
 - b Bombay Stock Exchange
Phiroze Jeejeebhoy Towers, Dalal Street
Mumbai - 400 001
 - c The Stock Exchange, Ahmedabad
Kamdhenu Complex, Near Polytechnic,
Banjara Pole, Ahmedabad - 380 015
 - d Stock Exchange, Madras
Exchange Building, Chennai 600 001
 - e Saurashtra Kutch Stock Exchange Ltd.
Sadar Bazar, Rajkot - 360 001
- II Listing fees for the Year 1999-2000 has been paid to each of the above Stock Exchanges.

DIRECTORS' REPORT

Your Directors are pleased to present their Report and the Audited Accounts for the year ended 31st March, 1998.

1. FINANCIAL RESULTS

The Financial results for the year 1998-99 are summarised below:

	Amount In Rs.	
	1998-99	1997-98
Profit subject to Depreciation and Tax	1,26,688	2,12,432
Less: Depreciation	1,40,036	1,69,368
Profit/(Loss) before tax	(13,384)	43,064
Less: Provision for Taxation	—	12,000
Income Tax for earlier years	2,66,898	—
Profit/Loss after Tax	(2,80,282)	31,064
Less: Lease rent adjustment	—	17,81,394
Net Profit/(Loss)	(2,80,282)	(17,50,330)
Profit (Loss) brought forward from previous year	(11,05,396)	1,44,934
Balance from General Reserve	—	5,00,000
Surplus carried to Balance Sheet	(13,85,678)	(11,05,396)

2. DIVIDEND

In view of inadequate profit the Board of Directors consider it prudent not to recommend any dividend for the year under review.

4. OPERATIONS

The past year was again a difficult one for the Indian capital market and consequently for the company. Subdued sentiments prevailed and there was a considerable slow down in the economy.

During the year company has expanded broking activity and started online trading of Bombay Stock Exchange at Bicholi (Indore, M.P.), through a Member of Exchange. The response to activity is satisfactory.

During the year performance of ARIHANT FINCAP LIMITED promoted by the Company for carrying on stock broking activities on the capital market segment of National Stock Exchange of India Limited is satisfactory.

Y2K Compliance :

The Company has completed significant part of the jobs required for Y2K Compliance and remaining part is scheduled to be completed by September, 1999 without

incurring significant expenditure. The Company is confident of meeting any eventuality in this regard in future.

5. PARTICULARS OF EMPLOYEES

The Company has no Employee, whose particulars are required to be given Under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975.

6. PARTICULARS U/S 217 (1) (e) REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

The Company has no activity relating to Conservation of Energy or Technology Absorption. There was also no earnings and outgo of foreign exchange.

7. FIXED DEPOSITS

During the year, the company has not accepted any deposits under Section 58-A of the Companies Act, 1956.

9. DIRECTORS

In accordance with the articles of association of the company Mr. Ashok Kumar Jain & Mr. Pramod Devepura retire by rotation and being eligible offer themselves for reappointment.

10. AUDITORS

Messrs Kedar Agrawal & Company, Chartered Accountants, Auditors of the company retire as auditors at the conclusion of the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

11. ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the cooperation and assistance given by the Bankers, Clients, Employees and above all the shareholders of the company during the year under review.

On Behalf Of The Board

PLACE : INDORE
DATED : 31/05/1999.

A.K.JAIN
(CHAIRMAN)

AUDITOR'S REPORT

THE MEMBERS,
ARIHANT CAPITAL MARKETS LIMITED,
INDORE.

We have audited the attached Balance Sheet of **ARIHANT CAPITAL MARKETS LIMITED** as at 31st March, 1999 and also the annexed Profit & Loss Account for the year ended on that date and report that:

1. As required by the manufacturing and other companies (Auditors Report) order 1988 issued by the company Law Board in terms of section 227 (4A) of the Companies Act, 1956 we enclose in the annexure statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the annexure referred to in paragraph (1) above:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of books.
 - c. The balance sheet and profit & loss account dealt with by this report are in agreement with the books of the account.
 - d. In our opinion, and to the best of our information and according to the explanations given to us, the accounts subject to and read with the notes thereon and statement of significant accounting policies give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - e. In our opinion, the Profit & Loss Account and Balance Sheet comply with the mandatory Accounting Standards referred to in Section 211 (3c) of the Companies Act, 1956
- i. In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 1999 and;
- ii. In the case of Profit & Loss Account of the Loss of the Company for the year ended on that date.

For **KEDAR AGRAWAL & CO.**
CHARTERED ACCOUNTANTS

PLACE : INDORE
 DATE : 31/05/99

KEDAR AGRAWAL
PROPRIETOR

**ANNEXURE TO THE AUDITORS' REPORT
REFERRED TO IN PARAGRAPH (1)
OF OUR REPORT**

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. We are informed by the management that all these assets were physically verified by them at reasonable intervals during the year and that no material discrepancies were noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. The Company does not have any stock of Raw Materials, stores, spare parts, finished goods and therefore Clauses (iii), (iv), (v), (vi), (xii) and (xiv) of paragraph 4(A) are not applicable.
4. The parties to whom loans or advances in the nature of loans are given by the Company have been repaying the principal amounts and interest as stipulated.
5. The Company has neither taken loans from nor granted loans to companies, firm or other parties listed in the register maintained under section 301. We are informed that there are no companies under the same management within the meaning of section 370 (1B) of the Companies Act 1956.
6. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of equipments and other assets.
7. The Company has no transaction of purchase of goods and materials and sale of goods, materials and services during the year.
8. The Company has not accepted any deposits from the public during the year.
9. The Company's activities do not generate any by products or scrap.
10. In our opinion the Company has an internal audit system commensurate with its size and nature of its business.
11. We have been informed that Provident Fund Act and Employees State Insurance Act are not applicable to the company.