

MD	✓		BKC	
CS	NA		DPY	AA
RO	✓		DIV	AA
TRA	NA		AC	✓
AGM	✓	✓	SHI	✓
YE	✓	✓		

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ANNUAL REPORT 1997-98



AASHEESH SECURITIES LIMITED



BOARD OF DIRECTORS

Shri Anil Kumar Goel – *Managing Director*

Smt. Sadhna Goel

Shri Vidya Saran Gupta

AUDITORS

Atul Kumar Gupta & Company

Chartered Accountants

Khera Bazar

Jagadhri-135003

BANKERS

Canara Bank

Darya Ganj,

New Delhi-110 002

REGISTERED OFFICE

606, Jesico Colony,

Jagadhri - 135003

(Haryana)

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AASHEESH SECURITIES LIMITED**DIRECTORS' REPORT****TO THE MEMBERS,**

Your Directors have pleasure in presenting the Fourth Annual Report alongwith Audited Accounts for the year ended on 31st March, 1998.

FINANCIAL RESULTS

The Financial Results for the year ended on March 31, 1998 are as under :

	Year Ended 31.03.1998 (Rs. in Lacs)
Total Income	38.08
Less : Total Expenses	43.44
Profit/Loss before Tax	(5.36)
I. Tax paid for F.Y. 1996-97	1.75
Loss after Tax	(7.11)
Balance carried to Balance Sheet	(7.11)

PERFORMANCE

The performance of your company during the year under review had been far from satisfactory due to various reasons including deteriorating economic conditions in the country, sagging capital market and worsening state of affairs of financial services industry. As reported last year, the condition of primary and secondary market activities further worsened during the year resulting in steep decline in trading volumes at Stock Exchanges throughout the country. Primary Market operations were almost nil. Whereas your company had to maintain the basic infrastructure created for taking care of primary market operations, the revenue from the same were almost negligible.

As reported earlier, some sub-brokers/clients of the company had defaulted in making payment of their dues to the company. In all such cases where legal proceedings were considered useful for recovery, action has been taken to file cases against such parties, which are at various stages of proceeding in the Courts. There has not been any considerable progress in the matter of recovery of inter-corporate deposits made by the company. All out efforts are being made to realise the money.

All these factors have put the actual performance vs. projections in public offer documents, hay ware and the two are totally uncomparable.

DIVIDEND

Due to Primary and Secondary Market being sluggish throughout the financial year, your company has incurred net loss of Rs. 7.11 lacs. Considering the above facts, the Directors feel their inability in declaring any dividend for the period under review.

FUTURE PROSPECTS

The condition of the stock market continues to be depressed and until there is a revival of the stock market, your company cannot expect any substantial change in its earnings.

With a view to revitalise the operations of the company, the Board of Directors of your company has considered various action steps keeping in view the sluggish capital market activities. Since the broking activities are likely to continue to be unremunerative considering the working capital requirements and high risk, it has been thought expedient to transfer the membership rights to another company so that your company can gainfully utilise its resources for other financial activities like leasing, hire purchase etc. Presently, your company being a stock broking company, carrying out of such activities is prohibited.

Likewise, with a view to curtail avoidable expenditure, it has also been considered expedient to have the shares of the company delisted from Ludhiana and Jaipur Stock Exchanges.

It may be noted that ever since the shares of the company had been got listed at both these Stock Exchanges, there has hardly been any transaction in its shares at these Stock Exchanges. Even after this delisting, company's shares will continue to be listed at Delhi (Regional Stock Exchange) and Mumbai Stock Exchanges.

CHANGE OF REGISTERED OFFICE

Considering the poor performance of the company, your directors have initiated various action steps to minimise operational costs. As approved by you, the Registered Office of the company has been shifted to Jagadhri (Haryana) after obtaining requisite approvals.

DIRECTORS

During the period under review Shri R.K. Goel was appointed as Additional Director by the Board pursuant to Article 120 of the Articles of Association of the company read with Section 260 of the Companies Act, 1956. He holds office upto the date of the ensuing Annual General Meeting.

Smt. Sadhna Goel retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

AUDITORS

The Company's Auditors M/s Atul Kumar Gupta & Co., Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

PARTICULARS OF EMPLOYEES

No employee is covered under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

OTHER PARTICULARS

The provisions relating to the conservation of energy and technology absorption as required to be disclosed under Section 217(1) (e) of the Companies Act, 1956 do not apply to the company. The company had no foreign exchange earning/outgo during the year under review.

FIXED DEPOSITS

The Company has not accepted any deposits from the Public during the year.

INFORMATION UNDER LISTING AGREEMENT WITH STOCK EXCHANGES

In terms of the requirements of listing agreement, a comparison of the projections as made in the Prospectus dated November 6, 1995 with the performance for the year ended 31st March, 1998 is given hereunder :

Particulars	Projections (Rs. in lacs)	Actuals (Rs. in lacs)
Total Income	445.22	38.08
Profit After Tax	219.25	(7.11)

REASONS OF VARIATION

Primary and Secondary Market continued to be sluggish throughout the financial year which has resulted in poor performance on every front. Some of the avenues of revenue as envisaged earlier, have completely vanished.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the co-operation and support extended by the bankers, shareholders & members of the staff at all levels.

By order of the Board
for AASHEESH SECURITIES LIMITED

Place : JAGADHRI
Dated : 2nd September, 1998

Sd/-
(A.K. GOEL)
Managing Director

AASHEESH SECURITIES LIMITED**AUDITORS' REPORT**

To

The Members of

AASHEESH SECURITIES LIMITED.

We have audited the attached Balance Sheet of AASHEESH SECURITIES LIMITED as at 31st March, 1998 and the Profit & Loss Account for the year ended on that date annexed thereto 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 give in the annexure, a statement on the matters specified in Paragraph 4 & 5 of the said Order, to the extent applicable to the Company.
2. Further to our comments in the annexure referred to in paragraph 1 above, we state that :
 - 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 accounts as required by law have been kept by the Company so far as it appears from our examination of the books.
 - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion and to the best of our information and according to the explanations given to us, said Balance Sheet and the Profit and Loss Account, read together with the Notes thereon in Schedule 16, accounts give the information required by the Companies Act, 1956 as amended from time to time in the manner so required and give a true and fair view :
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 1998 and
 - ii) in the case of Profit & Loss Account, of the Loss for the year ended on that date.

For **ATUL KUMAR GUPTA & CO.**
CHARTERED ACCOUNTANTS
 Sd/-

Place : JAGADHRI

Dated : 2nd September, 1998

(**A. K. GUPTA**)
PROPRIETOR

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE REPORT OF EVEN DATE OF THE AUDITORS TO THE MEMBERS OF AASHEESH SECURITIES LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1998.

1. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets. During the year, all the fixed assets have been physically verified by the management. No major discrepancies were noticed on verification. In our opinion and according to information and explanations given to us, the frequency of verification is reasonable having regards to the size of the Company and the nature of its fixed assets.
2. None of the Fixed Assets have been revalued during the year.
3. The stock of shares and debentures have been physically verified by the management at reasonable intervals during the year under audit. No major discrepancies were noticed on physical verification of shares and securities as compared to the book records. In our opinion and according to the information and explanation given to us, the procedure of physical verification of shares and securities followed by the management is reasonable proper and

adequate in relation to the nature of its business and accounting principles.

4. The company has not taken any secured or unsecured loans from Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956, nor from the companies under the same management as defined under Sub-section (1B) of section 370 of the Companies Act, 1956.
5. The company has not granted any secured or unsecured loans to companies, firms or other parties listed in the registers maintained under section 301 of the Companies Act, 1956 and/or to Companies under the same management as defined under Sub-Section (1B) of Section 370 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 nature of its business with regard to purchases of shares, office equipments and other assets and with regard to the sale of shares and securities.
7. In our opinion and according to the information and explanations given to us, transactions of shares made in pursuance of contract or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956, aggregating during the year to Rs. 50,000/- or more in respect of each party has been made at rates which are reasonable having regard to prevailing market rates for such shares and securities.
8. The Company has not accepted any deposit from the public and consequently the provisions of Section 58 A of the Companies Act, 1956 are not applicable.
9. In our opinion, Company's internal audit system is commensurate with its size and the nature of its business.
10. According to the records of the Company, Provident Fund and Employees State Insurance are not applicable to the Company.
11. According to the information and explanations given to us, no undisputed amounts are payable in respect of Income-Tax and Sales Tax or other Govt. dues which have remained outstanding as at 31st March, 1998 for period of more than six months from the date they became payable.
12. According to the information and explanations given to us, no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
13. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other similar securities.
14. The provisions of any special statutes applicable to Chit Funds, Nidhi or Mutual Benefit Society do not apply to the Company.
15. The company is not a sick Industrial Company within the meaning of Section 3(1)(O) of the Sick Industrial Companies (Special Provisions) Act, 1985.
16. The Company has maintained proper records of transactions and contracts in respect of trading in shares, debentures and other securities and timely entries have been made therein.

for **ATUL KUMAR GUPTA & CO.**
CHARTERED ACCOUNTANTS

Sd/-

Place : JAGADHRI

Dated : 2nd September, 1998

(**A.K. GUPTA**)
PROPRIETOR