

For *Aasheesh Securities Ltd.*

(A. K. GOEL)
Managing Director

5TH
ANNUAL REPORT
1998-99



AASHEESH
SECURITIES LIMITED

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

For: Aasheesh Securities Ltd.
(A. K. Goel)
Managing Director

BANKERS

Canara Bank
Darya Ganj
New Delhi-110 002

REGISTERED OFFICE

606, Jesico Colony
Jagadhri-135003
(Haryana)

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NOTICE

Notice is hereby given that the FIFTH ANNUAL GENERAL MEETING of the members of the company will be held on Thursday, the 30th September 1999, at 10.00 a.m at the Registered Office of the Company at 606, Jesico Colony, Jagadhri (Haryana) to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1999 and Profit & Loss Account for the year ended on that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Vidya Saran Gupta who retires by rotation and being eligible, offers himself for reappointment.
3. To consider and, if thought fit, to pass the following resolution with or without, modification (s), as an ORDINARY RESOLUTION :

"RESOLVED THAT M/s. Atul Kumar Gupta & Co., Chartered Accountants, the retiring Auditors of the Company be and are hereby reappointed to hold such office until the conclusion of the next Annual General Meeting at a remuneration to be fixed by the Managing Director of the Company."

By order of the Board
For Aasheesh Securities Limited

Place : Jagadhri
Dated : 2nd September, 1999

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

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.
2. Members may please bring their copies of the Annual Report to the Meeting.
3. For the convenience of the members/shareholders of the company residing in Delhi, transport facility will be made available at 5.00 A.M. on Thursday, the 30th September 1999 from the Corporate Office of the Company at G-55, Laxmi Nagar, Delhi-92.
4. The Register of members and the Share Transfer books of the company will remain closed from Friday, the 24th September 1999 to Thursday, the 30th September 1999 (both days inclusive).

By order of the Board
For Aasheesh Securities Limited

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

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

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

Your Directors have pleasure in presenting the Fifth Annual Report alongwith Audited Accounts for the year ended on 31st March, 1999.

FINANCIAL RESULTS

The Financial Results for the year ended on March 31, 1999 are as under :

	Year Ended 31.03.1999 (Rs. in Lacs)
Total Income	19.44
Less: Total Expenses	27.20
Profit / Loss before Tax	(7.76)
I.Tax paid for F.Y. 1995-96	2.92
Less: Provision made for Financial Year 95-96	1.50
Balance carried to Balance Sheet	(9.18)

PERFORMANCE

The performance of your company during the year under review continued to be far from satisfactory due to various reasons including financial losses suffered by the company on account of the deceitful behaviour of some of the ex-directors of the company who had bound the company with the contracts finalised by them which proved against the interest of the company and resulted in financial loss to the company. The worsening state of affairs of financial services industry and financial constraints added to the miseries of the company. Like in the previous year, the condition of primary and secondary market continued to be depressed. Primary Market operations were almost nil. Considering the reduced revenues, various action steps had to be taken by the company to reduce the overheads and to minimise costs. However, because of 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, cases have been filed against such parties, which are at various stages of proceedings 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.

The Company's investment in the NSE outfit namely; Kumar Share Brokers Limited, either in the shape of investment in equity shares or in the form of loan to that company was found to be in doldrum in view of the arbitrary working of both the whole time directors of that company, both of whom were also the directors of your company. It was after protracted negotiations and a series of meetings that a formal Memorandum of Understanding was executed on 14th march, 1998 whereby company's loan was also agreed to be settled by Kumar Share Brokers Limited and it was in that context that against company's unsecured loans of Rs.19 Lacs, post dated cheques for Rs. 11 Lacs had been arranged by Kumar Share Brokers Limited through its associate companies. It is a matter of regret that out of the cheques for Rs. 11 Lacs,

cheques of Rs. 3.50 Lacs have been received unpaid, for which proceedings U/s. 138 of Negotiable Instruments Act have been initiated. Even the office space sold by Kumar Share Brokers Limited to the company has not been vacated and given possession.

Considering the conduct of Kumar Share Brokers Limited, in which your company holds substantial shareholding and to whom loan had been given, the company had to take resort to the statutory rights vested in the shareholders for removing the directors of the company and to appoint new directors so as to save the company from mismanagement and to safeguard company's investment. It is hoped that the company should be in a position to recover its investment and loan.

DIVIDEND

Due to Primary and Secondary Market being sluggish throughout the financial year, your company has incurred net loss of Rs. 7.76 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 secondary market has started improving a little. However, the primary market continues to be almost dead. Further, your company has to operate under financial constraints and the ever changing margin system being implemented by the Stock Exchange, has been a hurdle in the improving business of the company. Until there is complete revival of the stock market and a stable Central Government is in place, your company cannot expect any substantial change in its earnings.

As reported last year, your company has disposed off the membership rights of the Delhi Stock Exchange Association Limited for a consideration of Rs. 25 Lacs. In addition, part of the office space has also been disposed off.

DELISTING OF COMPANY'S SHARES

As reported earlier, requests had been made for delisting of the shares of the company 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 de-listing, company's shares will continue to be listed at Delhi (Regional Stock Exchange) and Mumbai Stock Exchange, whose addresses are given hereunder. The company has always been regular in complying with the provisions of the listing agreement and the listing fee has been paid to both Delhi & Mumbai Stock Exchanges in time.

Address :

- (i) Delhi Stock Exchange Association Ltd.
I.G. Stadium, Indraprastha Estate
New Delhi.
- (ii) The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai-400 001

DIRECTOR

Shri Vidya Saran Gupta retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.